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PROSPECTUS



Initial Public Offering and Continuous Offering

April 9, 2025

EVOLVE SOLANA ETF

The Evolve Solana ETF (the “Evolve Fund”) is an exchange traded mutual fund that invests in the digital currency Solana. Given the limited history and speculative nature of Solana and the volatility of the Solana market, there is no assurance that the Evolve Fund will be able to meet its investment objective. An investment in the Evolve Fund is not intended as a complete investment program and is appropriate only for investors who have a sophisticated knowledge and understanding of Solana and the capacity to absorb a loss of some or all of their investment. An investment in the Evolve Fund is considered high risk.

This prospectus qualifies the distribution of U.S. dollar denominated unhedged units (“**USD Units**”) and Canadian dollar denominated unhedged units (“**CAD Units**”, together with the USD Units, the “**Units**”) of the Evolve Fund, which is an alternative mutual fund established under the laws of the province of Ontario. The Units will be issued at a price equal to the net asset value per Unit. There is no maximum number of Units that may be offered.

The Evolve Fund’s investment objective is to provide Unitholders with exposure to the daily price movements of the U.S. dollar price of Solana while experiencing minimal tracking error by utilizing the benefits of the creation and redemption processes offered by the exchange traded fund structure. See “Investment Objectives”.

Calculated every day since its launch on April 25, 2022, the CME CF Solana-Dollar Reference Rate is a once-a-day benchmark index price for Solana denominated in U.S. dollars that is published at 4:00 p.m. London time. The CME CF Solana-Dollar Reference Rate is a registered benchmark under the United Kingdom Benchmark Regulation (BMR) regime and its provider, CF Benchmarks Ltd. (“**CF Benchmarks**”), is authorised and regulated by the United Kingdom Financial Conduct Authority (FRN 847100) under the UK BMR requirements. CF Benchmarks is registered in England with registered number 11654816 and its registered office is 6th Floor, One London Wall, EC2Y 5EB United Kingdom. Compliance with the UK BMR has been audited by one of the ‘Big Four’ audit firms with the full audit report being publicly available.

To achieve its investment objectives, the Evolve Fund will invest in long-term holdings of Solana, purchased through Coinbase and/or other reputable Solana trading platforms (referred to as digital asset trading platforms or “**Solana trading platforms**”) and OTC counterparties, in order to provide investors with a convenient, secure alternative to a direct investment in Solana. As it is the Evolve Fund’s intention to invest in Solana on a passive basis, the Evolve Fund will not speculate with regard to changes in Solana prices. Purchases of Solana will generally only be undertaken by the Evolve Fund in response to subscriptions, and sales of Solana will generally only be undertaken by the Evolve Fund as required in order to fund expenses and redemptions. See “Investment Strategies”.

Evolve Funds Group Inc. (the “**Manager**”), a registered investment fund manager and portfolio manager, will act as promoter, manager, trustee and portfolio manager of the Evolve Fund and will be responsible for the administration of the Evolve Fund. Cidel Trust Company (the “**Custodian**”) will act as the Custodian of the assets of the Evolve Fund pursuant to the Custodian Agreement. Coinbase Custody Trust Company, LLC (the “**Sub-Custodian**”) will act as the Sub-Custodian in respect of the Evolve Fund’s holdings of Solana.

Listing of Units

The Evolve Fund issues Units on a continuous basis and there is no maximum number of Units that may be issued. The Units of the Evolve Fund have been conditionally approved for listing on the Toronto Stock Exchange (the “**Designated Exchange**”). Listing is subject to the approval of the Designated Exchange in accordance with its original listing requirements. Subject to satisfying the Designated Exchange’s original listing requirements on or before February 24, 2026, the Units will be listed on the Designated Exchange and investors will be able to buy or sell such Units on the Designated Exchange through registered brokers and dealers in the province or territory where the investor resides.

Investors may incur customary brokerage commissions in buying or selling Units. No fees are paid by investors to the Manager or the Evolve Fund in connection with buying or selling of Units on the Designated Exchange. Unitholders may also redeem Units for cash at a redemption price per Unit equal to 95% of the closing price of the Units on the Designated Exchange on the effective day of redemption, subject to a maximum redemption price per Unit equal to the net asset value per Unit on the effective day of redemption, or exchange a Prescribed Number of Units (as defined herein) (or an integral multiple thereof) for Baskets of Securities (as defined herein) and cash or, in certain circumstances, for cash. See “Exchange and Redemption of Units – Redemption of Units of the Evolve Fund for Cash” and “Exchange and Redemption of Units – Exchange of Units of the Evolve Fund at Net Asset Value per Unit for Baskets of Securities and/or Cash” for further information.

The Evolve Fund will issue Units directly to the Designated Broker (as defined herein) and Dealers (as defined herein).

Eligibility for Investment

Provided that the Evolve Fund qualifies as a “mutual fund trust” within the meaning of the Tax Act (as defined herein), or the Units of the Evolve Fund are listed on a “designated stock exchange” within the meaning of the Tax Act (which currently includes the Designated Exchange), the Units of the Evolve Fund, if issued on the date hereof, would be on such date qualified investments under the Tax Act for a trust governed by a registered retirement savings plan, a first home savings account, a registered retirement income fund, a registered disability savings plan, a deferred profit sharing plan, a registered education savings plan or a tax-free savings account (“**Plans**”).

Additional Considerations

The Evolve Fund is considered an alternative mutual fund within the meaning of National Instrument 81-102 *Investment Funds* (“**NI 81-102**”) and is permitted to invest in asset classes or use investment strategies that are not permitted for other types of mutual funds. As an alternative mutual fund, under NI 81-102, the Evolve Fund is permitted to use strategies generally prohibited by conventional mutual funds, including the ability to borrow cash to use for investment purposes and increased ability to invest in commodities. While these specific strategies will be used in accordance with the fund’s investment objectives and strategies, during certain market conditions they may accelerate the pace at which your investment decreases in value.

The Evolve Fund will invest in Solana. Given the limited history and speculative nature of Solana and the volatility of the Solana market, there is considerable risk that the Evolve Fund will not be able to meet its investment objectives. An investment in the Evolve Fund is not intended as a complete investment program and is appropriate only for investors who have a sophisticated knowledge and understanding of Solana and the capacity to absorb a loss of some or all of their investment.

No designated broker or dealer has been involved in the preparation of this prospectus or has performed any review of the contents of this prospectus and, as such, the Designated Broker and Dealers do not perform many of the usual underwriting activities in connection with the distribution by the Evolve Fund of its Units under this prospectus.

There is no guarantee that an investment in the Evolve Fund will earn any positive return in the short- or long-term, nor is there any guarantee that the net asset value per Unit will appreciate or be preserved. An investment in the Units is appropriate only for investors who have the capacity to absorb a loss of some or all of their investment. There is currently no market through which the Units may be sold and purchasers may not be able to resell securities purchased under this prospectus. This may affect the pricing of the securities in the secondary market, the transparency and availability of trading prices, the liquidity of the Units and the extent of issuer regulation. For a discussion of the risks associated with an investment in Units, see “Risk Factors”.

Registration of interests in, and transfer of, the Units will be made only through CDS Clearing and Depository Services Inc. Beneficial owners will not have the right to receive physical certificates evidencing their ownership.

Documents Incorporated by Reference

Additional information about the Evolve Fund is or will be available in the most recently filed annual financial statements, any interim financial statements filed after those annual financial statements, the most recently filed annual management report of fund performance (“**MRFP**”), any interim MRFP filed after the annual MRFP for the Evolve Fund, and the most recently filed ETF Facts (as defined herein) for the Evolve Fund. These documents are incorporated by reference into, and legally form an integral part of, this prospectus. See “Documents Incorporated by Reference” for further details.

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GLOSSARY

Unless otherwise indicated, the references to dollar amounts in this prospectus are to Canadian dollars and all references to times in this prospectus are to Toronto time.

“air drop” has the meaning ascribed thereto under “Risk Factors – Risk Factors Relating to Solana – Air Drops”.

ATR Rules – has the meaning ascribed thereto under “Exchange and Redemption of Units – Allocations of Capital Gains to Redeeming Unitholders”.

CAD Units – has the meaning set forth on the cover page.

Canadian Securities Legislation – means the securities legislation in force in each province and territory of Canada, all regulations, rules, orders and policies made thereunder and all multilateral and national instruments adopted by the Securities Regulatory Authorities, as the same may be amended, restated or replaced from time to time.

Capital Gains Refund – has the meaning ascribed thereto under “Income Tax Considerations – Taxation of the Evolve Fund”.

CDS – means CDS Clearing and Depository Services Inc.

CDS Participant – means a registered dealer or other financial institution that is a participant in CDS and that holds Units on behalf of beneficial owners of Units.

CME CF Solana-Dollar Reference Rate – means a once-a-day benchmark index price for Solana denominated in U.S. dollars.

Constituent Solana Trading Platforms – has the meaning ascribed thereto under “Investment Strategies”.

CRA – means the Canada Revenue Agency.

CRS Legislation – has the meaning ascribed thereto under “Unitholder Matters – International Information Reporting”.

Custodian – means Cidel Trust Company, the custodian of the assets of the Evolve Fund, and its assigns and successors as may be appointed by the Manager from time to time.

Custodian Agreement – means the custodian agreement between the Manager and the Custodian as it may be amended from time to time.

Dealer – means a registered dealer (that may or may not be the Designated Broker) that has entered into a dealer agreement with the Manager, on behalf of the Evolve Fund, and that subscribes for and purchases Units from the Evolve Fund.

Declaration of Trust – means the master declaration of trust establishing the Evolve Fund dated April 9, 2025, as the same may be amended, restated or replaced from time to time.

Designated Broker – means a registered dealer that has entered into a designated broker agreement with the Manager, on behalf of the Evolve Fund, pursuant to which the Designated Broker agrees to perform certain duties in relation to the Evolve Fund.

Designated Exchange – means the TSX.

DPSP – means a deferred profit sharing plan within the meaning of the Tax Act.

EFG – means Evolve Funds Group Inc., the promoter, manager, trustee and portfolio manager of the Evolve Fund.

ETF Facts – means ETF Facts prescribed by Canadian Securities Legislation in respect of an exchange traded fund, which summarizes certain features of the exchange traded fund and which is publicly available at www.sedarplus.com.

Evolve Fund – means the exchange traded mutual fund listed on the cover page of this prospectus, an investment trust established under the laws of Ontario pursuant to the Declaration of Trust.

FATF – has the meaning ascribed thereto under “Investment Strategies – General Investment Strategies of the Evolve Funds – Purchasing Solana”.

FHSA – means a first home savings account within the meaning of the Tax Act.

fork – has the meaning ascribed thereto under “Risk Factors – Risk Factors Relating to Solana – Network Forks”.

Fund Administrator – means CIBC Mellon Trust Company, in its capacity as fund administrator of the Evolve Fund.

GST/HST – means taxes exigible under Part IX of the *Excise Tax Act* (Canada) and the regulations made thereunder.

Holder – has the meaning ascribed thereto under “Income Tax Considerations”.

IGA Legislation – has the meaning ascribed thereto under “Unitholder Matters – International Information Reporting”.

IRC or Independent Review Committee – means the independent review committee of the Evolve Fund established under NI 81-107.

License Agreement – means the agreement pursuant to which the Manager licenses or sublicenses the CME CF Solana-Dollar Reference Rate from CF Benchmarks for use by the Evolve Fund.

Management Fee – has the meaning ascribed thereto under “Fees and Expenses – Fees and Expenses Payable by the Evolve Fund – Management Fees”.

Management Fee Distributions – has the meaning ascribed thereto under “Fees and Expenses – Fees and Expenses Payable by the Evolve Fund – Management Fees”.

Manager – has the meaning ascribed thereto on the cover page.

Minimum Distribution Requirements – has the meaning ascribed thereto under “Income Tax Considerations – Status of the Evolve Fund”.

MRFP – has the meaning ascribed thereto on the cover page.

NAV and NAV per Unit – means the net asset value of the Evolve Fund and the net asset value per Unit, calculated by the Fund Administrator as described under “Calculation of Net Asset Value”.

NI 81-102 – means National Instrument 81-102 – *Investment Funds*, as the same may be amended, restated or replaced from time to time.

NI 81-106 – means National Instrument 81-106 – *Investment Fund Continuous Disclosure*, as the same may be amended, restated or replaced from time to time.

NI 81-107 – means National Instrument 81-107 – *Independent Review Committee for Investment Funds*, as the same may be amended, restated or replaced from time to time.

Permitted Mergers – has the meaning ascribed thereto under “Unitholder Matters – Permitted Mergers”.

Plans – has the meaning ascribed thereto under “Income Tax Considerations – Status of the Evolve Fund”.

PNU or Prescribed Number of Units – means the number of Units determined by the Manager from time to time for the purpose of subscription orders, exchanges, redemptions or for other purposes.

RDSP – means a registered disability savings plan within the meaning of the Tax Act.

Registrar and Transfer Agent – means TSX Trust Company or its successor, in its capacity as transfer agent of the Evolve Fund.

RESP – means a registered education savings plan within the meaning of the Tax Act.

RRIF – means a registered retirement income fund within the meaning of the Tax Act.

RRSP – means a registered retirement savings plan within the meaning of the Tax Act.

scaling – means increasing the capacity of transactions a network can handle at the core blockchain layer.

Securities Regulatory Authorities – means the securities commission or similar regulatory authority in each province and territory of Canada that is responsible for administering the Canadian Securities Legislation in force in such province or territory.

SIFT Rules – has the meaning ascribed thereto under “Risk Factors – Taxation of the Evolve Fund”.

Solana Blockchain – has the meaning ascribed thereto under “Risk Factors – Control of Processing Power”.

Solana Network – has the meaning ascribed thereto under “Overview of the Sectors that the Evolve Fund Invests In”.

SOLUSD_RR – means a once-a-day benchmark index price for Solana denominated in U.S. dollars.

Staking Arrangements – means the staking of Solana held in the Evolve Fund’s portfolio, to be conducted at the discretion of the Manager.

Staking Service Fee – has the meaning ascribed thereto under “Prospectus Summary – Staking Service Fee”.

Sub-Custodian – means Coinbase Custody Trust Company, LLC, a sub-custodian of the Evolve Fund in respect of the Evolve Fund’s holdings of Solana pursuant to the Sub-Custodian Agreement.

Sub-Custodian Agreement – means sub-custodian agreement among the Custodian, the Evolve Fund and the Sub-Custodian as it may be amended from time to time.

Substituted Property – has the meaning ascribed thereto under “Income Tax Considerations – Taxation of the Evolve Fund”.

Tax Act – means the *Income Tax Act* (Canada) and the regulations thereunder, as amended from time to time.

Tax Amendment – means a proposed amendment to the Tax Act publicly announced by the Minister of Finance (Canada) prior to the date hereof.

taxable capital gain – has the meaning ascribed thereto under “Income Tax Considerations – Taxation of Holders”.

TFSA – means a tax-free savings account within the meaning of the Tax Act.

Trading Day – means, unless otherwise agreed by the Manager, a day on which a regular session of the TSX is held.

Trustee – means EFG, in its capacity as trustee of the Evolve Fund pursuant to the Declaration of Trust, or its successor.

TSX – means the Toronto Stock Exchange.

unbonding – has the meaning ascribed thereto under “Risk Factors – Risk Factors Relating to Staking Arrangements – Staking Timeline and Unbonding Periods Risk”.

Unit – means a redeemable, transferable unit of the Evolve Fund, which represents an equal, undivided interest in the net assets of the Evolve Fund.

United States or U.S. – means the United States of America.

Unitholder – means a holder of Units.

validators – means the hardware providers for the Solana Network (as defined under “Overview of the Sectors that the Evolve Fund Invests In”).

Valuation Date – means each Trading Day or any other day designated by the Manager on which the NAV and NAV per Unit of the Evolve Fund is calculated.

Valuation Time – means 11:00 a.m. (Toronto time) on a Valuation Date or such other time that the Manager deems appropriate on each Valuation Date.

PROSPECTUS SUMMARY

The following is a summary of the principal features of this distribution and should be read together with the more detailed information, financial data and financial statements contained elsewhere in this prospectus or incorporated by reference in this prospectus.

Issuer and Offering: Evolve Solana ETF (the “**Evolve Fund**”)

The Evolve Fund is offering U.S. dollar denominated unhedged units (“**USD Units**”) and Canadian dollar denominated unhedged units (“**CAD Units**”, together with the USD Units, the “**Units**”) under this prospectus.

The Evolve Fund is an alternative mutual fund established under the laws of the Province of Ontario. Evolve Funds Group Inc. (“**EFG**”) is the promoter, manager, trustee and portfolio manager of the Evolve Fund and is responsible for the administration of the Evolve Fund.

The Evolve Fund is considered an alternative mutual fund within the meaning of National Instrument 81-102 Investment Funds (“**NI 81-102**”) and is permitted to invest in asset classes or use investment strategies that are not permitted for other types of mutual funds. As an alternative mutual fund, under NI 81-102, the Evolve Fund is permitted to use strategies generally prohibited by conventional mutual funds, including the ability to borrow cash to use for investment purposes and increased ability to invest in commodities. While these specific strategies will be used in accordance with the fund's investment objectives and strategies, during certain market conditions they may accelerate the pace at which your investment decreases in value.

The Evolve Fund will invest in Solana. Given the speculative nature of Solana and the volatility of the Solana market, there is considerable risk that the Evolve Fund will not be able to meet its investment objectives. An investment in the Evolve Fund is not intended as a complete investment program and is appropriate only for investors who have a sophisticated knowledge and understanding of Solana and the capacity to absorb a loss of some or all of their investment.

Continuous Distribution:

The Evolve Fund issues Units on a continuous basis and there is no maximum number of Units that may be issued. The Units of the Evolve Fund have been conditionally approved for listing on the Designated Exchange. Listing is subject to the approval of the Designated Exchange in accordance with its original listing requirements. Subject to satisfying the Designated Exchange’s original listing requirements, the Units will be listed on the Designated Exchange and investors will be able to buy or sell such Units on the Designated Exchange through registered brokers and dealers in the province or territory where the investor resides.

Investors may incur customary brokerage commissions in buying or selling Units. No fees are paid by investors to the Manager or the Evolve Fund in connection with the buying or selling of Units on the Designated Exchange. Investors may trade Units in the same way as other securities listed on the Designated Exchange, including by using market orders and limit orders.

See “Purchases of Units”.

Investment Objectives:

The Evolve Fund’s investment objective is to provide Unitholders with exposure to the daily price movements of the U.S. dollar price of Solana while experiencing minimal tracking error by utilizing the benefits of the creation and redemption processes offered by the exchange traded fund structure. See “Investment Objectives”.

Specific Investment Strategies:

To achieve its investment objectives, the Evolve Fund will invest in long-term holdings of Solana, purchased through Coinbase and/or other reputable Solana trading platforms (referred to as digital asset trading platforms or “**Solana trading platforms**”) and OTC

counterparties, in order to provide investors with a convenient, secure alternative to a direct investment in Solana. The Evolve Fund will not speculate with regard to short-term changes in Solana prices.

The Evolve Fund may also, subject to any required regulatory approval, stake Solana held in its portfolio in order to earn rewards for the Evolve Fund, which rewards will, following the deduction of applicable fees and expenses, accrue to the Evolve Fund's NAV for the benefit of Unitholders. The Manager intends to initially target staking up to 50% of the Solana held in the portfolio of the Evolve Fund. The Evolve Fund's Staking Arrangements are expected to be initially facilitated by the Sub-Custodian. See "Investment Strategies – Staking" for more information.

The Evolve Fund's portfolio will be priced based on, and the Evolve Fund's NAV will be calculated using, the CME CF Solana-Dollar Reference Rate. The CME CF Solana-Dollar Reference Rate is a once-a-day benchmark index price for Solana denominated in U.S. dollars. Calculated every day since its launch on April 25, 2022, the CME CF Solana-Dollar Reference Rate is a registered benchmark under the United Kingdom's Benchmark Regulation regime and its provider, CF Benchmarks, is authorised and regulated by the United Kingdom Financial Conduct Authority (FRN 847100) under the UK BMR requirements. CF Benchmarks is registered in England with registered number 11654816 and its registered office is 6th Floor, One London Wall, EC2Y 5EB United Kingdom. Compliance with the UK BMR has been audited by one of the 'Big Four' audit firms with the full audit report being publicly available.

All Solana trading platforms that provide input data to the calculation of the CME CF Solana-Dollar Reference Rate adhere to AML and KYC regulations, as they are requirements enforced by the benchmark administrator, CF Benchmarks. The Solana trading platforms that are currently utilized by CF Benchmarks ("**Constituent Solana Trading Platforms**") in the calculation of the CME CF Solana-Dollar Reference Rate include Coinbase, Gemini, Kraken, and LMAX Digital. To assure that the CME CF Solana-Dollar Reference Rate reflects global cryptocurrency trading activity in a representative and unbiased manner, a geographically diverse set of spot Solana trading platforms is included within the current framework. A Solana trading platform is eligible as a Constituent Solana Trading Platform in the CME CF Solana-Dollar Reference Rate if:

1. It facilitates spot trading of the relevant cryptocurrency against the corresponding fiat currency and makes trade data and order data available through an Automatic Programming Interface (API) with sufficient reliability, detail and timeliness.
2. The venue's relevant pair spot trading volume for an index must meet the minimum thresholds as detailed below: The average daily volume contribution during the observation window for the relevant pair is greater than 3% of the other Constituent Exchanges in combination for 45 consecutive days.
3. The venue has published policies to ensure fair and transparent market conditions at all times and has processes in place to identify and impede illegal, unfair or manipulative trading practices.
4. The venue does not impose undue barriers to entry or restrictions on market participants, and utilizing the venue does not expose market participants to undue credit risk, operational risk, legal risk or other risks.
5. The venue complies with applicable law and regulation, including, but not limited to capital markets regulations, money transmission regulations, client money custody regulations, know-your-client (KYC) regulations and anti-money-laundering (AML) regulations.

6. The venue cooperates with inquiries and investigations of regulators and the Administrator upon request.

The CME CF Solana-Dollar Reference Rate is calculated based on the relevant transactions of all Constituent Solana Trading Platforms in the direct trading pair (i.e., Solana – USD only).

The methodology of the CME CF Solana-Dollar Reference Rate is summarized as follows:

1. Transactions conducted on Constituent Solana Trading Platforms are observed during a one-hour window from 3:00 p.m. to 4:00 p.m. London Time;
2. The one-hour window is divided into 12 partitions of equal length (five minutes each);
3. For each partition, a volume-weighted median (VWM) is calculated; and
4. The index value is expressed as the arithmetic mean of the 12 VWMs calculated in the previous step.

The CME CF Solana-Dollar Reference Rate methodology was designed for the very purpose of immunizing the CME CF Solana-Dollar Reference Rate to a high degree against price anomalies, while being replicable through spot trading on the approved Constituent Solana Trading Platforms. As noted, this has been achieved through the following design:

Partitions: as a result of using the equally-weighted average of the partitions, no single large trade or cluster of trades occurring in any one partition can meaningfully influence the CME CF Solana-Dollar Reference Rate.

Weighting of Partitions: The partitions are intentionally equally-weighted (as opposed to volume-weighted) to facilitate replication of the CME CF Solana-Dollar Reference Rate through trading on Constituent Solana Trading Platforms.

Medians: Spot prices have historically varied considerably across trading platforms, in particular during times of high volatility. The use of medians to calculate the weighted median trade price for each partition (as opposed to averages) greatly reduces the CME CF Solana-Dollar Reference Rate susceptibility to price extremes on one or more Constituent Solana Trading Platforms.

Volume-Weighting of Medians: Trading is driven to some extent by automated algorithms that may execute a high number of small trades. The use of volume-weighted medians to calculate the weighted median trade price for each partition (as opposed to simple medians) assures that the CME CF Solana-Dollar Reference Rate appropriately reflect large trades and that whether an order is executed in parts or in full has no effect on the CME CF Solana-Dollar Reference Rate calculation results.

Using the above methodology, the CME CF Solana-Dollar Reference Rate produces a value for Solana that averages the volume-weighted median of all transactions in each 5-minute (i.e., partition) period between 3:00 p.m. to 4:00 p.m. London Time (partition length).

The CME CF Solana-Dollar Reference Rate is published every day of the year and is available on major vendor platforms such as Bloomberg and Reuters. Additional information regarding the CME CF Solana-Dollar Reference Rate is available at https://www.cfbenchmarks.com/data/indices/SOLUSD_RR.

Solana trading platforms, including the Constituent Solana Trading Platforms, are not regulated as securities exchanges or commodity futures exchanges under the securities or commodity futures laws of Canada, the United States or other global jurisdictions. The Manager will seek to ensure that the Solana trading platforms on which the Evolve Fund transacts are reputable, stable and in compliance with AML regulation.

As it is the Evolve Fund's intention to invest in Solana on a passive basis, the Evolve Fund's holdings will not be actively managed and accordingly, will not be hedged or repositioned to attempt to take defensive positions if the price of Solana declines or is expected to decline, and it is not the intention of the Evolve Fund to attempt to predict increases in the price of Solana in order to increase returns.

The Evolve Fund will not use derivatives and does not intend to pay regular cash distributions.

The Evolve Fund does not seek to hedge any foreign currency exposure in respect of either the USD Units or the CAD Units.

See "Investment Strategies".

Use of Leverage:

Generally, the Evolve Fund does not intend to borrow money or employ other forms of leverage to acquire Solana for its portfolio. The Evolve Fund may however borrow money on a temporary short term basis to acquire Solana in connection with a subscription for Units by a dealer. Any cash borrowing by the Evolve Fund will be subject to an overall limit of 50% of its NAV under NI 81-102.

Special Considerations for Purchasers:

The Manager, on behalf of the Evolve Fund, has obtained exemptive relief to permit Unitholders to acquire more than 20% of the Units through purchases on the Designated Exchange without regard to the takeover bid requirements of applicable Canadian Securities Legislation. The provisions of the so-called "early warning" requirements set out in Canadian securities legislation do not apply in connection with the acquisition of Units of the Evolve Fund.

The Evolve Fund is considered an alternative mutual fund within the meaning of NI 81-102 and is permitted to invest in asset classes or use investment strategies that are not permitted for other types of mutual funds. As an alternative mutual fund, under NI 81-102, the Evolve Fund is permitted to use strategies generally prohibited by conventional mutual funds, including the ability to borrow cash to use for investment purposes and increased ability to invest in commodities. While these specific strategies will be used in accordance with the fund's investment objectives and strategies, during certain market conditions they may accelerate the pace at which your investment decreases in value.

Risk Factors:

See "Attributes of the Securities – Description of the Securities Distributed".

An investment in Units will be subject to certain risk factors, as well as certain risks associated with an investment in Solana.

The Evolve Fund will invest in Solana. Given the limited history and speculative nature of Solana and the volatility of the Solana market, there is considerable risk that the Evolve Fund will not be able to meet its investment objectives. An investment in the Evolve Fund is not intended as a complete investment program and is appropriate only for investors who have a sophisticated knowledge and understanding of Solana and the capacity to absorb a loss of some or all of their investment.

An investment in the Evolve Fund is considered high risk.

See “Risk Factors”.

Income Tax Considerations:

A Unitholder who is resident in Canada will generally be required to include, in computing income for a taxation year, the amount of income (including any net realized taxable capital gains) that is paid or becomes payable to the Unitholder by the Evolve Fund in that year (including such income that is paid in Units).

A Unitholder who disposes of a Unit that is held as capital property, including on a redemption or otherwise, will generally realize a capital gain (or capital loss) to the extent that the proceeds of disposition (other than any amount payable by the Evolve Fund which represents capital gains allocated and designated to the redeeming Unitholder), net of costs of disposition, exceed (or are less than) the adjusted cost base of that Unit.

Each investor should satisfy himself or herself as to the federal and provincial tax consequences of an investment in Units by obtaining advice from his or her tax advisor.

See “Income Tax Considerations”.

Exchanges and Redemptions:

In addition to the ability to sell Units on the Designated Exchange, Unitholders may also (i) redeem Units for cash at a redemption price per Unit equal to 95% of the closing price of the Units on the Designated Exchange on the effective day of redemption, subject to a maximum redemption price per Unit equal to the NAV per Unit on the effective day of redemption, less any applicable administrative fee determined by the Manager, in its sole discretion, from time to time, or (ii) exchange a PNU, in certain circumstances, for cash.

See “Exchange and Redemption of Units – Redemption of Units of the Evolve Fund for Cash” and “Exchange and Redemption of Units – Exchange of Units of the Evolve Fund at Net Asset Value per Unit for Cash” for further information.

Distributions:

It is not anticipated that the Evolve Fund will make regular cash distributions. See “Distribution Policy”.

Termination:

The Evolve Fund does not have a fixed termination date but may be terminated at the discretion of the Manager in accordance with the terms of the Declaration of Trust. See “Termination of the Evolve Fund”.

Eligibility for Investment:

Provided that the Evolve Fund qualifies as a “mutual fund trust” within the meaning of the Tax Act, or that the Units of the Evolve Fund are listed on a “designated stock exchange” (which currently includes the Designated Exchange) within the meaning of the Tax Act, Units, if issued on the date hereof, would be on such date qualified investments under the Tax Act for a trust governed by a Plan.

See “Income Tax Considerations – Taxation of Registered Plans”.

Documents Incorporated by Reference:

Additional information about the Evolve Fund is or will be available in the most recently filed annual financial statements, any interim financial statements filed after those annual financial statements, the most recently filed annual management report of fund performance (“MRFP”), any interim MRFP filed after the annual MRFP for the Evolve Fund, and the most recently filed ETF Facts for the Evolve Fund. These documents are incorporated by reference into, and legally form an integral part of, this prospectus. These documents are publicly available on the Manager’s website at www.evolveetfs.com and may be obtained upon request, at no cost, by calling (416)-214-4884 or toll-free at 1-844-370-4884, by sending an email request to info@evolveetfs.com or by contacting a registered dealer. These documents and other information about the Evolve Fund are also publicly available at www.sedarplus.com.

See “Documents Incorporated by Reference”.

Organization and Management of the Evolve Fund

- Manager, Trustee and Portfolio Manager:** In its capacity as manager, EFG will be responsible for the administration and operations of the Evolve Fund. In its capacity as trustee, EFG will hold title to the assets of the Evolve Fund in trust for the Unitholders.
- The principal office of the Evolve Fund and EFG is located at TD Canada Trust Tower, 161 Bay Street, Suite 1210, Toronto, ON M5J 2S1.
- See “Organization and Management Details of the Evolve Fund – Manager” and “Organization and Management Details of the Evolve Fund – Trustee”.
- Promoter:** EFG has taken the initiative of founding and organizing the Evolve Fund and is, accordingly, the promoter of the Evolve Fund within the meaning of securities legislation of certain provinces and territories of Canada.
- See “Organization and Management Details of the Evolve Fund – Promoter”.
- Custodian:** Cidel Trust Company (the “Custodian”) will act as the custodian of the assets of the Evolve Fund pursuant to the Custody Agreement. The Custodian is a federally regulated trust company based in Calgary, Alberta and will provide services to the Evolve Fund from its office in Toronto, Ontario. The Custodian is a wholly-owned subsidiary of Cidel Bank Canada, a Schedule II Bank regulated by the Office of the Superintendent of Financial Institutions (OSFI). The Custodian may and is expected to appoint a sub-custodian in accordance with NI 81-102. See “Organization and Management Details of the Evolve Fund – Custodian”.
- Sub-Custodian:** Coinbase Custody Trust Company, LLC (the “Sub-Custodian”) will act as a sub-custodian of the Evolve Fund’s holdings of Solana pursuant to the Sub-Custodian Agreement. The Sub-Custodian is a trust company licensed and regulated by the New York State Department of Financial Services and is qualified to act as a sub-custodian of the Evolve Fund for the assets held outside of Canada in accordance with NI 81-102. See “Organization and Management Details of the Evolve Fund – Sub-Custodian”.
- Registrar and Transfer Agent:** TSX Trust Company, at its principal office in Toronto, Ontario, is the registrar and transfer agent for the Units and maintains the register of registered Unitholders. The register of the Evolve Fund is kept in Toronto, Ontario.
- See “Organization and Management Details of the Evolve Fund – Registrar and Transfer Agent”.
- Auditors:** Ernst & Young LLP, at its principal offices in Toronto, Ontario, are the auditors of the Evolve Fund. The auditors will audit the Evolve Fund’s annual financial statements and provide an opinion as to whether they present fairly the Evolve Fund’s financial position, financial performance and cash flows in accordance with International Financial Reporting Standards. The auditors are independent with respect to the Evolve Fund within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of Ontario.
- See “Organization and Management Details of the Evolve Fund – Auditors”.
- Fund Administrator:** CIBC Mellon Trust Company, at its principal office in Toronto, Ontario, is the Fund Administrator. The Fund Administrator is responsible for certain aspects of the day-to-day administration of the Evolve Fund, including NAV calculations, calculating net income and net realized capital gains of the Evolve Fund and maintaining books and records with respect to the Evolve Fund.
- See “Organization and Management Details of the Evolve Fund – Fund Administrator”.

Summary of Fees and Expenses

The following table lists the fees and expenses that an investor may have to pay if the investor invests in the Evolve Fund. An investor may have to pay some of these fees and expenses directly. The Evolve Fund may have to pay some of these fees and expenses, which will therefore reduce the value of an investment in the Evolve Fund. See “Fees and Expenses”.

Fees and Expenses Payable by the Evolve Fund

Type of Fee	Amount and Description
Management Fee:	<p>The Evolve Fund will pay an annual management fee (the “Management Fee”) to the Manager for acting as trustee, manager and portfolio manager of the Evolve Fund equal to 1.00% of the NAV of each class of the Evolve Fund, calculated daily and payable monthly in arrears, plus applicable taxes.</p> <p>The Manager may, at its discretion, agree to charge a reduced Management Fee for some Unitholders as compared to the Management Fee that the Manager would otherwise be entitled to receive from the Evolve Fund, provided that the difference between the fee otherwise chargeable and the reduced fee is distributed periodically by the Evolve Fund to the applicable Unitholders as a management fee distribution (the “Management Fee Distributions”). Any reduction will depend on a number of factors, including the amount invested, the NAV of the Evolve Fund and the expected amount of account activity. Management Fee Distributions will be paid first out of net income of the Evolve Fund then out of capital gains of the Evolve Fund and thereafter out of capital. See “Fees and Expenses”.</p>
Staking Service Fee:	<p>In addition to the Management Fee, the Manager is entitled to receive a fee equal to a portion of the staking rewards generated for the Evolve Fund by Staking Arrangements (net of the fees payable to the validator(s)) such that no less than 65% of the rewards accrue to the Evolve Fund and up to 35% of the rewards accrue to the Manager (the “Staking Service Fee”). The Staking Service Fee will be calculated daily and paid monthly, in arrears, plus applicable taxes, and is intended to compensate the Manager for the additional work required to administer Staking Arrangements for the Evolve Fund as described below under “Investment Strategies – Staking”. The Staking Service Fee charged by the Manager will only be deducted from any rewards generated by Staking Arrangements which will generate income to the Evolve Fund.</p>
Operating Expenses:	<p>Unless waived or reimbursed by the Manager, the Evolve Fund pays for all operating expenses of the Evolve Fund (“Operating Expenses”) incurred in connection with the operation and administration of the Evolve Fund, including but not limited to: mailing and printing expenses for periodic reports to Unitholders; fees payable to the Registrar and Transfer Agent and Custodian; any reasonable out of pocket expenses incurred by the Manager or its agents in connection with their ongoing obligations to the Evolve Fund; IRC committee member fees and expenses in connection with the IRC; expenses related to compliance with NI 81-107; fees and expenses relating to voting of proxies by a third party; insurance coverage for the members of the IRC; fees payable to the auditors and legal advisors of the Evolve Fund; regulatory filing, stock exchange and licensing fees (if applicable) and CDS fees; banking costs and interest with respect to any borrowing (if applicable); website maintenance costs; costs and expenses of complying with all applicable laws, regulations and policies, including expenses and costs incurred in connection with the continuous public filing requirements such as permitted prospectus preparation and filing expenses; and legal, accounting and audit fees and fees and expenses of the Trustee, Solana consultant (if any), CF Benchmarks (in respect of index licensing and/or consulting fees, if any), Custodian and Manager which are incurred in respect of matters not in the normal course of the Evolve Fund’s activities. Additional costs which are also payable by the Evolve Fund include any taxes payable by the Evolve Fund to which the Evolve Fund may be subject, including income taxes, sales taxes (including GST/HST) and/or withholding taxes (including</p>

preparation costs for tax filing in respect of any such taxes); expenditures incurred upon termination of the Evolve Fund; extraordinary expenses that the Evolve Fund may incur and all amounts paid on account of any indebtedness (if applicable); any expenses of insurance and costs of all suits or legal proceedings in connection with the Evolve Fund or the assets of the Evolve Fund or to protect the Unitholders, the Trustee, the Manager, and the directors, officers, employees or agents of any of them; any expenses of indemnification of the Trustee, the Unitholders, the Manager, and the directors, officers, employees or agents of any of them to the extent permitted under the Declaration of Trust; and expenses relating to the preparation, printing and mailing of information to Unitholders in connection with meetings of Unitholders. The Evolve Fund is also responsible for all fees and expenses related to the Staking Arrangements and all commissions and other costs of portfolio transactions and any extraordinary expenses of the Evolve Fund which may be incurred from time to time, including brokerage and trading commissions and other fees and expenses associated with the execution of transactions in respect of the Evolve Fund's investment in Solana.

Fees and Expenses Payable Directly by Unitholders

Type of Fee	Amount and Description
Administrative Fee:	<p>An amount as may be agreed to between the Manager and the Designated Broker or a Dealer, of the Evolve Fund may be charged to offset certain transaction costs associated with an issue, exchange or redemption of Units. This charge does not apply to Unitholders who buy and sell their Units through the facilities of the Designated Exchange.</p> <p>See “Fees and Expenses – Fees and Expenses Payable Directly by the Unitholders – Administrative Fees” and “Exchange and Redemption of Units – Administrative Fee”.</p>

Forward Looking Statements

Certain statements in this prospectus are forward-looking statements, including those identified by the expressions “anticipate”, “believe”, “plan”, “estimate”, “expect”, “intend”, “target”, “seek”, “will” and similar expressions to the extent they relate to the Evolve Fund and the Manager. Forward-looking statements are not historical facts but reflect the current expectations of the Evolve Fund or the Manager regarding future results or events. Such forward-looking statements reflect the Evolve Fund's or the Manager's current beliefs and are based on information currently available to them. Forward-looking statements involve significant risks and uncertainties. A number of factors could cause actual results or events to differ materially from current expectations including global economic conditions. Some of these risks, uncertainties and other factors are described in this prospectus under the heading “Risk Factors”. Although the forward-looking statements contained in this prospectus are based upon assumptions that the Evolve Fund and the Manager believe to be reasonable, none of the Evolve Fund or the Manager can assure investors that actual results will be consistent with these forward-looking statements. The forward-looking statements contained herein were prepared for the purpose of providing prospective investors with information about the Evolve Fund and may not be appropriate for other purposes. None of the Evolve Fund or the Manager assumes any obligation to update or revise them to reflect new events or circumstances, except as required by law.

Market and Industry Data

The prospectus contains information that has been obtained from publicly available sources including industry publications and websites. The Manager believes that this information has been obtained from sources that are reliable however, the Manager is not able to independently verify this information. Accordingly, no assurance can be given as to the accuracy or completeness of this information and investors should not place undue reliance upon information attributed to third-party sources.

OVERVIEW OF THE LEGAL STRUCTURE OF THE EVOLVE FUND

The Evolve Fund is an exchange traded alternative mutual fund established under the laws of the Province of Ontario, pursuant to the terms of the Declaration of Trust. The Evolve Fund is a mutual fund under the securities legislation of the provinces and territories of Canada.

EFG, a registered investment fund manager and portfolio manager, will be the promoter, trustee, manager and portfolio manager of the Evolve Fund, and in its capacity as manager, will be responsible for the administration of the Evolve Fund. The principal office of the Evolve Fund and EFG is located at TD Canada Trust Tower, 161 Bay Street, Suite 1210, Toronto, ON M5J 2S1.

The Evolve Fund is considered an alternative mutual fund within the meaning of NI 81-102 and is permitted to invest in asset classes or use investment strategies that are not permitted for other types of mutual funds. As an alternative mutual fund, under NI 81-102, the Evolve Fund is permitted to use strategies generally prohibited by conventional mutual funds, including the ability to borrow cash to use for investment purposes and increased ability to invest in commodities. While these specific strategies will be used in accordance with the fund's investment objectives and strategies, during certain market conditions they may accelerate the pace at which your investment decreases in value.

The Evolve Fund will invest in Solana. Given the limited history and speculative nature of Solana and the volatility of the Solana market, there is considerable risk that the Evolve Fund will not be able to meet its investment objectives. An investment in the Evolve Fund is not intended as a complete investment program and is appropriate only for investors who have a sophisticated knowledge and understanding of Solana and the capacity to absorb a loss of some or all of their investment.

The Units of the Evolve Fund have been conditionally approved for listing on the Designated Exchange. Listing is subject to the approval of the Designated Exchange in accordance with its original listing requirements. Subject to satisfying the Designated Exchange's original listing requirements, the Units will be listed on the Designated Exchange and investors will be able to buy or sell such Units on the Designated Exchange through registered brokers and dealers in the province or territory where the investor resides.

The following chart sets out the full legal name as well as the ticker symbol for the Evolve Fund:

Evolve Solana ETF	TSX Ticker Symbol
USD Units	SOLA.U
CAD Units	SOLA

INVESTMENT OBJECTIVES

The Evolve Fund's investment objective is to provide Unitholders with exposure to the daily price movements of the U.S. dollar price of Solana while experiencing minimal tracking error by utilizing the benefits of the creation and redemption processes offered by the exchange traded fund structure.

The investment objective of the Evolve Fund may not be changed except with the approval of its Unitholders. See "Unitholder Matters" for additional descriptions of the process for calling a meeting of Unitholders and the requirements of Unitholder approval.

INVESTMENT STRATEGIES

The Evolve Fund is considered an alternative mutual fund within the meaning of NI 81-102 and is permitted to invest in asset classes or use investment strategies that are not permitted for other types of mutual funds. As an alternative mutual fund, under NI 81-102, the Evolve Fund is permitted to use strategies generally prohibited by conventional

mutual funds, including the ability to borrow cash to use for investment purposes and increased ability to invest in commodities. While these specific strategies will be used in accordance with the fund's investment objectives and strategies, during certain market conditions they may accelerate the pace at which your investment decreases in value.

To achieve its investment objectives, the Evolve Fund will invest in long-term holdings of Solana, purchased through Coinbase and/or other reputable Solana trading platforms (referred to as digital asset trading platforms or “Solana trading platforms”) and OTC counterparties, in order to provide investors with a convenient, secure alternative to a direct investment in Solana. The Evolve Fund will not speculate with regard to short-term changes in Solana prices.

The Evolve Fund may also, subject to any required regulatory approval, stake Solana held in its portfolio in order to earn rewards for the Evolve Fund, which rewards will, following the deduction of applicable fees and expenses, accrue to the Evolve Fund’s NAV for the benefit of Unitholders. See “Investment Strategies – Staking”.

The Evolve Fund’s portfolio will be priced based on, and the Evolve Fund’s NAV will be calculated using, the CME CF Solana-Dollar Reference Rate. The CME CF Solana-Dollar Reference Rate is a once-a-day benchmark index price for Solana denominated in U.S. dollars. Calculated every day since its launch on April 25, 2022, the CME CF Solana-Dollar Reference Rate is a registered benchmark under the United Kingdom’s Benchmark Regulation regime and its provider, CF Benchmarks, is authorised and regulated by the United Kingdom Financial Conduct Authority (FRN 847100) under the UK BMR requirements. CF Benchmarks is registered in England with registered number 11654816 and its registered office is 6th Floor, One London Wall, EC2Y 5EB United Kingdom. Compliance with the UK BMR has been audited by one of the ‘Big Four’ audit firms with the full audit report being publicly available.

All Solana trading platforms that provide input data to the calculation of the CME CF Solana-Dollar Reference Rate adhere to AML and KYC regulations, as they are requirements enforced by the benchmark administrator, CF Benchmarks. The Solana trading platforms that are currently utilized by CF Benchmarks (“**Constituent Solana Trading Platforms**”) in the calculation of the CME CF Solana-Dollar Reference Rate include Coinbase, Gemini, Kraken and LMAX Digital. To assure that the CME CF Solana-Dollar Reference Rate reflects global cryptocurrency trading activity in a representative and unbiased manner, a geographically diverse set of spot Solana trading platforms is included within the current framework. A Solana trading platform is eligible as a Constituent Solana Trading Platform in the CME CF Solana-Dollar Reference Rate if:

1. It facilitates spot trading of the relevant cryptocurrency against the corresponding fiat currency and makes trade data and order data available through an Automatic Programming Interface (API) with sufficient reliability, detail and timeliness.
2. The venue’s relevant pair spot trading volume for an index must meet the minimum thresholds as detailed below: The average daily volume contribution during the observation window for the relevant pair is greater than 3% of the other Constituent Exchanges in combination for 45 consecutive days.
3. The venue has published policies to ensure fair and transparent market conditions at all times and has processes in place to identify and impede illegal, unfair or manipulative trading practices.
4. The venue does not impose undue barriers to entry or restrictions on market participants, and utilizing the venue does not expose market participants to undue credit risk, operational risk, legal risk or other risks.
5. The venue complies with applicable law and regulation, including, but not limited to capital markets regulations, money transmission regulations, client money custody regulations, know-your-client (KYC) regulations and anti-money-laundering (AML) regulations.
6. The venue cooperates with inquiries and investigations of regulators and the Administrator upon request.

The CME CF Solana-Dollar Reference Rate is calculated based on the relevant transactions of all Constituent Solana Trading Platforms in the direct trading pair (i.e., Solana – USD only).

The methodology of the CME CF Solana-Dollar Reference Rate is summarized as follows:

1. Transactions conducted on Constituent Solana Trading Platforms are observed during a one-hour window from 3:00 p.m. to 4:00 p.m. London Time;
2. The one-hour window is divided into 12 partitions of equal length (five minutes each);
3. For each partition, a volume-weighted median (VWM) is calculated; and

4. The index value is expressed as the arithmetic mean of the 12 VWMs calculated in the previous step.

The CME CF Solana-Dollar Reference Rate methodology was designed for the very purpose of immunizing the CME CF Solana-Dollar Reference Rate to a high degree against price anomalies, while being replicable through spot trading on the approved Constituent Solana Trading Platforms. As noted, this has been achieved through the following design:

Partitions: as a result of using the equally-weighted average of the partitions, no single large trade or cluster of trades occurring in any one partition can meaningfully influence the CME CF Solana-Dollar Reference Rate.

Weighting of Partitions: The partitions are intentionally equally-weighted (as opposed to volume-weighted) to facilitate replication of the CME CF Solana-Dollar Reference Rate through trading on Constituent Solana Trading Platforms.

Medians: Spot prices have historically varied considerably across trading platforms, in particular during times of high volatility. The use of medians to calculate the weighted median trade price for each partition (as opposed to averages) greatly reduces the CME CF Solana-Dollar Reference Rate susceptibility to price extremes on one or more Constituent Solana Trading Platforms.

Volume-Weighting of Medians: Trading is driven to some extent by automated algorithms that may execute a high number of small trades. The use of volume-weighted medians to calculate the weighted median trade price for each partition (as opposed to simple medians) assures that the CME CF Solana-Dollar Reference Rate appropriately reflect large trades and that whether an order is executed in parts or in full has no effect on the CME CF Solana-Dollar Reference Rate calculation results.

Using the above methodology, the CME CF Solana-Dollar Reference Rate produces a value for Solana that averages the volume-weighted median of all transactions in each 5-minute (i.e., partition) period between 3:00 p.m. to 4:00 p.m. London Time (partition length).

The CME CF Solana-Dollar Reference Rate is published every day of the year and is available on major vendor platforms such as Bloomberg and Reuters. Additional information regarding the CME CF Solana-Dollar Reference Rate is available at https://www.cfbenchmarks.com/indices/SOLUSD_US_RR.

Solana trading platforms, including the Constituent Solana Trading Platforms, are not regulated as securities exchanges or commodity futures exchanges under the securities or commodity futures laws of Canada, the United States or other global jurisdictions. The Manager will seek to ensure that the Solana trading platforms on which the Evolve Fund transacts are reputable, stable and in compliance with AML regulation.

As it is the Evolve Fund's intention to invest in Solana on a passive basis, the Evolve Fund's holdings will not be actively managed and accordingly, will not be hedged or repositioned to attempt to take defensive positions if the price of Solana declines or is expected to decline, and it is not the intention of the Evolve Fund to attempt to predict increases in the price of Solana in order to increase returns.

The Evolve Fund will not use derivatives and does not intend to pay regular cash distributions.

The Evolve Fund does not seek to hedge any foreign currency exposure in respect of either the USD Units or the CAD Units.

Purchasing Solana

The Manager expects that Solana will be purchased for the Evolve Fund from Coinbase and other Solana trading platforms and OTC counterparties (each, a "**Solana Source**"). The Manager will conduct due diligence on each proposed Solana Source prior to transacting with such Solana Source in order to confirm its reputation and stability, including by conducting research on the executive officers and significant shareholders of the Solana Source and the regulatory regime, if any, applicable to the Solana Source. The Manager will also confirm that each Solana Source maintains appropriate KYC policies and procedures and will not transact with any person or entity that is on a list of designated persons or entities established and maintained under applicable AML regulation in the jurisdiction of the

Solana Source. The Manager will ensure that each Solana Source has its head office in a jurisdiction which is a member of the Financial Action Task Force (“FATF”) or its global network of FATF-Style Regional Bodies.

The Manager expects that substantially all of the net proceeds upon any issuance of a PNU to the Designated Broker or Dealers will be invested in Solana (and all purchases of Solana will have settled) within 90 business days after such issuance.

At least initially, the Manager expects that the Evolve Fund’s Solana Sources will include Coinbase Pro, and may include other reputable Solana trading platforms, such as Gemini NuSTAR LLC, and other New York Department of Financial Services regulated trading platforms or OTC counterparties. The Manager also expects that established investment dealers will offer Solana trading in the near future, and the Manager will consider such broker-dealers as potential Solana Sources.

The Manager will determine where to place the Evolve Fund’s Solana orders based on the prices and volumes available through each Solana Source with a view to achieving best execution for the Evolve Fund. Once a Solana order has been executed and allocated to the Evolve Fund, the Manager reviews and approves the transaction. Upon approval, the Sub-Custodian is notified and payment for the trade is settled. Once the Sub-Custodian receives the Solana on behalf of the Evolve Fund, the Sub-Custodian immediately places the Solana in cold storage, ensuring that such Solana is allocated to the Evolve Fund’s account on a segregated basis.

The Manager’s Solana Sources offer trading compliance which will seek to ensure that no Solana sold to the Evolve Fund comes from a wallet associated with illicit activity or from dark web sites or money laundering sites (known as “mixing” sites, such as BitBlender and DreamMarket).

The Sub-Custodian shall comply with all Applicable Laws, including applicable Canadian AML/ATF Rules and the regulations and orders of FINTRAC, to the extent applicable, with respect to the services it provides.

The Manager believes the advantages of investing in Units of the Evolve Fund to obtain exposure to Solana are as follows:

- Access to an investment product that utilizes transparent valuation methodologies and principles, the CME CF Solana-Dollar Reference Rate, which has been designed with the intention of mitigating against pricing anomalies and adheres to strict AML and KYC regulations.
- Less Tracking Error than other Investment Vehicles: The exchange traded fund structure employed by the Evolve Fund will, in addition to maintaining a stock exchange listing, offer intra-day market liquidity for its Units, but with the added benefit of posted two-way markets as a result of the market-making function provided by the Designated Broker and Dealers. Accordingly, unlike closed-end funds currently available as of the date hereof that invest in this sector, Units of the Evolve Fund can be expected to trade at a market price closer and approximately equal to the intrinsic net asset value of Solana.
- Lower Transaction Costs: The Manager expects that, for many investors, the costs and risks associated with buying, holding and selling the Units in the secondary market and the payment of the Evolve Fund’s ongoing expenses, including the payment of the Management Fee, will be lower than the costs and risks associated with buying, holding and selling Solana at a regulated Solana trading platform or through opening an individual Solana wallet.
- Cold Storage at the Sub-Custodian: The Sub-Custodian is a regulated and licensed custodian of Solana. Storage of Solana can either be in a “hot wallet”, which is connected to the internet, or in “cold storage” where private keys have no contact with the internet, and are created, stored, and managed on hardware security modules located in access guarded facilities that are geographically distributed. The Evolve Fund’s Solana will be held in the Sub-Custodian’s cold storage system, protected in accordance with the industry-leading protocols described under “Organization and Management of the Evolve Fund – Sub-Custodian”.

Staking

The Evolve Fund intends to stake a portion of the Evolve Fund’s Solana through the facilities of the Sub-Custodian. The Sub-Custodian will use hardware, software and other services necessary to stake the Evolve Fund’s Solana on the Solana Network (as defined herein). As a result of any staking activity in which the Evolve Fund may engage by

delegating Solana to the Sub-Custodian, the Evolve Fund expects to receive staking rewards of Solana. In facilitating the Evolve Fund's Staking Arrangements, the Sub-Custodian, which has experience acting as a validator, will cause Solana held in the Evolve Fund's portfolio to be staked. The Sub-Custodian exercises no discretion as to the amount of the Evolve Fund's Solana to be staked or the timing of Staking Arrangements (other than as is incidental in establishing or deactivating validator nodes). The Sub-Custodian will maintain exclusive possession and control of the private keys associated with the cold storage wallet into which the Evolve Fund's staked Solana may be unbonded, and into which staking rewards will be deposited, at all times. For clarity, when staking, the Sub-Custodian will exercise its discretion to direct the staked voting power of the Evolve Fund's staked Solana to the validator nodes operated by the Sub-Custodian, which will be in possession of validator keys. The staked Solana may only be unbonded to the cold storage wallet maintained by the Sub-Custodian, and all staking rewards will also be deposited to such cold storage wallet.

The blockchain networks associated with certain digital assets enable holders to earn rewards by participating in transaction confirmation activities through a process known as "staking". Staking refers to proof-of-stake (PoS) consensus protocols, which are mechanisms for ensuring that transactions are properly recorded on a blockchain. Owners who stake a particular blockchain's native currency validate the block transactions (or may delegate the currency to others who validate block transactions), and validators with the most holdings (which may include assets "delegated" to them) are generally able to validate at a higher rate, proportional to their amount staked. Blockchain networks that employ PoS protocols generally rely on "**validators**". Validators are network node operators that serve to verify the accuracy of data being recorded on the blockchain. Validators are typically rewarded in digital assets for their transaction confirmation activities. In order to become a validator, a node operator is required to "stake" digital assets (again, possibly including assets delegated to them), which is generally accomplished by locking digital assets in the relevant blockchain network. Staked digital assets essentially function as a form of collateral. If validators act maliciously or incompetently, they may lose their staked digital assets and their access to the particular blockchain network through processes known as "slashing" and "jailing". Slashing and jailing are designed to incentivize validators to act with integrity while validating transactions.

Staking has become one of the most common technologies used by blockchains, including the Solana Network, to secure their networks. Unlike traditional digital currency mining, which is used to mine older blockchains like Bitcoin and Ethereum 1.0, staking is not reliant on specialized hardware that can rapidly become outdated and does not consume vast amounts of electricity. Instead, staking technology uses validation rights attached to digital asset ownership to make digital asset transactions secure, reliable and sustainable. Please see "Overview of the Sectors that the Evolve Fund Invests in – Staking of Solana" for more information on staking.

Use of Leverage

Generally, the Evolve Fund does not intend to borrow money or employ other forms of leverage to acquire Solana for its portfolio. The Evolve Fund may however borrow money on a temporary short term basis to acquire Solana in connection with a subscription for Units by a dealer. Any cash borrowing by the Evolve Fund will be subject to an overall limit of 50% of its NAV under NI 81-102.

Cash Management

From time to time, the Evolve Fund may hold cash or cash equivalents. The Evolve Fund may hold this cash or invest it in money market instruments or securities of money market funds.

OVERVIEW OF THE SECTORS THAT THE EVOLVE FUND INVESTS IN

Solana is a digital asset that is not issued by any government, bank or central organization. Solana is based on the decentralized, open-source protocol of the Solana peer-to-peer network (the "**Solana Network**"). The Solana Network creates a decentralized public transaction ledger, known as a "blockchain", on which all Solana transactions are recorded. Movement of Solana is facilitated by a digital, transparent, and immutable ledger, enabling the rapid transfer of value across the internet without the need for centralized intermediaries. The Solana Network software source code includes the protocol that governs the creation of Solana, and the cryptographic operations that verify and secure the transactions. Each blockchain is an official record of every Solana transaction and every Solana address is associated with a quantity of Solana. The Solana Network and software applications built atop the network, can each interpret a blockchain to determine the exact Solana balance, if any, of any public address listed in the blockchain. A Solana

Network private key controls the transfer or “spending” of Solana from its associated public address. A Solana Network “wallet” is a collection of public network addresses and the associated private key(s). It is designed such that only the owner of Solana can send Solana, and only the intended recipient of Solana can unlock the Solana that the sender sent, and the transactional validation and ownership can be verified by any third party anywhere in the world.

Within the Solana Network, there are two use cases for its native token, Solana. One is staking, where token holders can stake their Solana and receive a reward, while the other is payment, where Solana is used to pay transaction fees associated with running smart contracts.

The entire Solana Network can be described using the analogy of a computer. The most basic level of any computer is the hardware that all of the software runs upon. The hardware providers for the Solana Networks are called “**validators**”. A validator is a computer running Solana’s software with its own copy of the blockchain. These validators are the equivalent of miners in a proof-of-work blockchain like Bitcoin. Instead of competing with other computers to complete complex puzzles like in proof-of-work, Solana’s validators are chosen to add the next block of transactions based on how large their stake is (how many coins they have pledged to the network, including coins that have been delegated to them), how long they have staked for and a number of other criteria. The idea is to measure the level of commitment network participants have and reward them for their dedication. The larger the stake relative to circulating supply, the more decentralized and secure the network becomes.

In addition, Solana uses a method known as proof-of-history for proving that transactions are in the correct sequence and found by the right leader. Solana’s blockchain is broken into slots or periods of time where a validator ingests transactions and produces a block. In this system, leaders are chosen ahead of each slot in order to save time. A node (or validator) is chosen to be a “leader” of a slot through the PoS mechanism based on the quantity of Solana held. Each validator is responsible for continuing a count or tally of the passage of time, known as a proof-of-history sequence, and the next block of transactions for the slot they have been chosen for.

Validators’ servers run Solana Network software, which can be thought of as the operating system on top of the hardware, just as personal computers have installed an operating system. The Solana Network software is maintained in the open source model, with the community collaborating on GitHub. GitHub is a platform for software creation, orchestrating the storage, version control and integration of code for different software projects. Solana’s software is available for all developers and non-developers to peruse and discuss. For example, from GitHub one can download the entire source code of Solana Network software. By running similar software on similar hardware, the validators have created a basic worldwide computer that operates in sync, despite being geographically distributed.

Just as one may run applications on top of the hardware and operating system of their computer, various companies have built applications that run on top of the hardware and operating system of the Solana Network. Applications include wallets that store users’ Solana, exchanges that allow users to swap Solana for other currencies, remittance providers that send money to people in other countries and decentralized marketplaces that function similar to an online distributor (e.g., eBay). Accordingly, there is no central company. While the Solana’s Network’s application ecosystem is still in its early development, the Manager believes that, as more developers and users adopt the platform over time there will be an increasing number of applications, which will provide greater functionality to the system as a whole. The Solana Network provides the foundation to power decentralized applications (dApps) with enhanced scalability at the layer 1 blockchain level. It is designed to offer faster settlement times, higher capacity for transactions, and more flexibility for developers to customize applications. Solana was conceptualized in 2017 and officially launched in March of 2020. It is supported by the Solana Foundation (a Swiss based non-profit).

The end user relies on the hardware, operating system, and applications provided by Solana validators, developers and companies, respectively. The greater the number of users, the greater the incentive will be potentially for validators, developers and companies to continue to develop their systems, which in turn should promote the various Solana Networks as a whole.

Solana trading platforms operate websites that facilitate the purchase and sale of Solana for various government issued currencies, including the U.S. dollar, the euro and the Chinese yuan. Activity on the trading platforms should not be confused with the process of users sending Solana from one address to another Solana Network address. The latter is an activity that uses the cryptocurrencies as a means of exchange and is largely conducted directly using the Solana Networks’ blockchain, as applicable, whereas the former is mostly an activity around Solana as a store of value and largely occurs within the trade books of exchanges (i.e., off-blockchain).

Solana trading platforms generally report publicly on their websites the bid and ask prices for the purchase or sale of Solana. Although each trading platform has its own market price, it is expected that most trading platforms’ market

prices should be relatively consistent with the trading platforms' market averages since market participants can choose the trading platform on which to buy or sell Solana. Price differentials across trading platforms enable arbitrage between prices, as applicable, on the various exchanges, and occur most notably between geographies.

Solana trading platforms are open 24 hours a day and every day of the year. Trading platforms with the most economically significant trading volume are Binance, Coinbase, Kraken, LMAX Digital, Bitfinex, Gemini, Bittrex and Liquid. A majority of these exchanges employ KYC procedures in compliance with applicable AML regulation.

Staking of Solana

The Solana Network uses a PoS consensus mechanism to achieve distributed consensus. The PoS mechanism relies on validator nodes to stake, a process for verifying transactions included in each new block. Validators are incentivized through the PoS network by earning rewards in exchange for verifying transactions, as are owners of Solana who have delegated Solana to validators.

Staking Solana requires validators who engage in the active function of running validator software and equipment. Rewards are paid in Solana and are variable depending, primarily, on the total amount of Solana staked to the Solana Network. Validators participating in the Solana Network's PoS protocol (and owners of Solana who have delegated Solana to validators) risk the loss of their staked Solana in the event that such validators fail to comply with the rules of the Solana Network (a process called slashing). By engaging in Staking Arrangements, the Evolve Fund is exposed to such risk of losses caused by validators to whom the Evolve Fund has delegated Solana. See "Risk Factors – Risk Factors Relating to Staking Arrangements". The Subadvisor expects to engage in Staking Arrangements in order to earn rewards for the Evolve Fund, which rewards will, following the deduction of applicable fees, accrue to the Evolve Fund's NAV for the benefit of the Evolve Fund's Unitholders. In facilitating the Evolve Fund's Staking Arrangements, the Sub-Custodian, which has experience acting as a validator, will cause Solana held in the Evolve Fund's portfolio to be staked.

Staking Arrangements will generally occur as follows:

- the Manager will direct the Sub-Custodian to stake a certain amount of Solana to a validator (which may also be the Sub-Custodian) directly out of the cold wallet administered by the Sub-Custodian on behalf of the Evolve Fund;
- rewards, which will be paid in Solana subject to any bonding or lock-up period, may be earned in connection with the staking of Solana;
- the Sub-Custodian will be entitled to a fee in respect of the rewards and will pay a portion of such fee to any party acting as validator; and
- the rewards will be delivered to a custodial wallet of the Evolve Fund held with the Sub-Custodian, a portion of which will be paid to the Manager as the Staking Service Fee, with the balance to be reinvested in the Evolve Fund.

Although there is currently no minimum amount of the Solana of the Evolve Fund that may be staked, the Evolve Fund intends to cause the Sub-Custodian to stake a portion of its Solana from time to time and the Manager intends to adopt a measured approach to Staking Arrangements, taking into account the liquidity needs of the Evolve Fund, the novelty of the investment strategy, as well as any applicable regulatory requirements and approvals. The Manager intends to initially target staking up to 50% of the Solana held in the portfolio of the Evolve Fund.

INVESTMENT RESTRICTIONS

The Evolve Fund is subject to certain investment restrictions and practices contained in securities legislation, including NI 81-102, which are designed in part to ensure that the investments of the Evolve Fund are diversified and relatively liquid and to ensure its proper administration. A change to the fundamental investment objective of the Evolve Fund would require the approval of the Unitholders. Please see "Unitholder Matters – Matters Requiring Unitholder Approval".

Subject to the following, and any exemptive relief that has been or will be obtained, the Evolve Fund is managed in accordance with the investment restrictions and practices set out in the applicable securities legislation, including NI 81-102. See “Exemptions and Approvals”.

Tax Related Investment Restrictions

The Evolve Fund will not make an investment or conduct any activity that would result in the Evolve Fund failing to qualify as a “unit trust” or “mutual fund trust” within the meaning of the Tax Act.

FEES AND EXPENSES

This section details the fees and expenses that an investor may have to pay if the investor invests in the Evolve Fund. An investor may have to pay some of these fees and expenses directly. The Evolve Fund may have to pay some of these fees and expenses, which will therefore reduce the value of an investment in the Evolve Fund.

Fees and Expenses Payable by the Evolve Fund

Management Fees

The Evolve Fund will pay an annual management fee (the “**Management Fee**”) to the Manager for acting as trustee, manager and portfolio manager of the Evolve Fund equal to 1.00% of the NAV of each class of the Evolve Fund, calculated daily and payable monthly in arrears, plus applicable taxes. See “Organization and Management Details of the Evolve Fund – Manager – Duties and Services to be Provided by the Manager” for a description of the services provided by the Manager.

To encourage very large investments in the Evolve Fund by a particular Unitholder, the Manager may, at its discretion, agree to charge a reduced Management Fee for some Unitholders as compared to the Management Fee that the Manager would otherwise be entitled to receive from the Evolve Fund, provided that the difference between the fee otherwise chargeable and the reduced fee is distributed periodically by the Evolve Fund to the applicable Unitholders as a management fee distribution (the “**Management Fee Distributions**”). Any reduction will depend on a number of factors, including the amount invested, the NAV of the Evolve Fund and the expected amount of account activity. Management Fee Distributions will be paid first out of net income of the Evolve Fund then out of capital gains of the Evolve Fund and thereafter out of capital. The tax consequences of a Management Fee Distribution will generally be borne by the Unitholder who receives the distribution. See “Income Tax Considerations – Taxation of Holders”.

Staking Service Fee

In addition to the Management Fee, the Manager is entitled to receive a fee equal to a portion of the staking rewards generated for the Evolve Fund by Staking Arrangements (net of the fees payable to the validator(s)) such that no less than 65% of the rewards accrue to the Evolve Fund and up to 35% of the rewards accrue to the Manager (the “**Staking Service Fee**”). The Staking Service Fee will be calculated daily and paid monthly, in arrears, plus applicable taxes, and is intended to compensate the Manager for the additional work required to administer Staking Arrangements for the Evolve Fund. The Staking Service Fee charged by the Manager will only be deducted from any rewards generated by Staking Arrangements which will generate income to the Evolve Fund.

Operating Expenses

Unless waived or reimbursed by the Manager, the Evolve Fund pays for all operating expenses of the Evolve Fund (“**Operating Expenses**”) incurred in connection with the operation and administration of the Evolve Fund, including but not limited to: mailing and printing expenses for periodic reports to Unitholders; fees payable to the Registrar and Transfer Agent and Custodian; any reasonable out of pocket expenses incurred by the Manager or its agents in connection with their ongoing obligations to the Evolve Fund; IRC committee member fees and expenses in connection with the IRC; expenses related to compliance with NI 81-107; fees and expenses relating to voting of proxies by a third party; insurance coverage for the members of the IRC; fees payable to the auditors and legal advisors of the Evolve Fund; regulatory filing, stock exchange and licensing fees (if applicable) and CDS fees; banking costs and interest with respect to any borrowing (if applicable); website maintenance costs; costs and expenses of complying with all applicable laws, regulations and policies, including expenses and costs incurred in connection with the continuous public filing requirements such as permitted prospectus preparation and filing expenses; and legal, accounting and audit fees and fees and expenses of the Trustee, Solana consultant (if any), CF Benchmarks (in respect

of index licensing and/or consulting fees, if any), Custodian and Manager which are incurred in respect of matters not in the normal course of the Evolve Fund's activities. Additional costs which are also payable by the Evolve Fund include any taxes payable by the Evolve Fund to which the Evolve Fund may be subject, including income taxes, sales taxes (including GST/HST) and/or withholding taxes (including preparation costs for tax filings in respect of any such taxes); expenditures incurred upon termination of the Evolve Fund; extraordinary expenses that the Evolve Fund may incur and all amounts paid on account of any indebtedness (if applicable); any expenses of insurance and costs of all suits or legal proceedings in connection with the Evolve Fund or the assets of the Evolve Fund or to protect the Unitholders, the Trustee, the Manager, and the directors, officers, employees or agents of any of them; any expenses of indemnification of the Trustee, the Unitholders, the Manager, and the directors, officers, employees or agents of any of them to the extent permitted under the Declaration of Trust; and expenses relating to the preparation, printing and mailing of information to Unitholders in connection with meetings of Unitholders. The Evolve Fund is also responsible for all fees and expenses related to the Staking Arrangements and all commissions and other costs of portfolio transactions and any extraordinary expenses of the Evolve Fund which may be incurred from time to time, including brokerage and trading commissions and other fees and expenses associated with the execution of transactions in respect of the Evolve Fund's investment in Solana.

Fees and Expenses Payable Directly by the Unitholders

Administrative Fees

An amount as may be agreed to between the Manager and the Designated Broker or a Dealer, may be charged to offset certain transaction costs associated with an issue, exchange or redemption of Units. This charge does not apply to Unitholders who buy and sell their Units through the facilities of the Designated Exchange. See "Exchange and Redemption of Units – Administrative Fee".

RISK FACTORS

The Evolve Fund will invest in Solana. Given the limited history and speculative nature of Solana and the volatility of the Solana market, there is considerable risk that the Evolve Fund will not be able to meet its investment objectives. An investment in the Evolve Fund is not intended as a complete investment program and is appropriate only for investors who have a sophisticated knowledge and understanding of Solana and the capacity to absorb a loss of some or all of their investment.

In addition to the considerations set out elsewhere in this prospectus, the following are certain considerations relating to an investment in Units that prospective investors should consider before purchasing such Units:

Risk Factors Relating to Solana

Speculative Nature of Solana

Investing in Solana is speculative, prices are volatile, and market movements are difficult to predict. Supply and demand for Solana can change rapidly and is affected by a variety of factors, including regulation and general economic trends.

Unforeseeable Risks

Solana has gained commercial acceptance only within recent years and, as a result, there is little data on its long-term investment potential. Additionally, due to the rapidly evolving nature of the Solana market, including advancements in the underlying technology, changes to Solana may expose investors in the Evolve Fund to additional risks which are impossible to predict as of the date of this prospectus. This uncertainty makes an investment in the Units very risky.

Access Loss or Theft

There is a risk that some or all of the Evolve Fund's holdings of Solana could be lost, stolen, destroyed or inaccessible, potentially by the loss or theft of the private keys held by the Sub-Custodian associated with the public addresses that hold the Evolve Fund's Solana and/or destruction of storage hardware. Multiple thefts of certain digital assets have

occurred in the past. Because of the decentralized process for transferring Solana, thefts can be difficult to trace, which may make Solana a particularly attractive target for theft. The Evolve Fund will adopt security procedures intended to protect the Evolve Fund's assets, but there can be no assurance that those procedures will be successful in preventing such loss, theft or restriction on access. You should not invest unless you understand the risk that the Evolve Fund may lose possession or control of its assets. Access to the Evolve Fund's Solana could be restricted by natural events (such as an earthquake or flood) or human actions (such as a terrorist attack). The Evolve Fund's Solana held in custody accounts will likely be an appealing target for hackers or malware distributors seeking to destroy, damage or steal the Evolve Fund's Solana or private keys.

Security breaches, cyber-attacks, computer malware and computer hacking attacks have been a prevalent concern for the digital asset trading platforms on which Solana trades. Any cyber security breach caused by hacking, which involves efforts to gain unauthorized access to information or systems, or to cause intentional malfunctions or loss or corruption of data, software, hardware or other computer equipment, and the inadvertent transmission of computer viruses, could harm the Evolve Fund's business operations or reputation, resulting in loss of the Evolve Fund's assets. Digital asset trading platforms may in particular be at risk of cyber security breaches orchestrated or funded by state actors. For example, it has been reported that South Korean digital asset trading platforms have been subject to cybersecurity attacks by North Korean state actors with the intent of stealing digital assets, possibly with the intention of evading international economic sanctions. Any problems relating to the performance and effectiveness of security procedures used by the Evolve Fund and its custodians to protect the Evolve Fund's Solana, such as algorithms, codes, passwords, multiple signature systems, encryption and telephone call-backs will have an adverse impact on the NAV of the Evolve Fund and an investment in the Units. Furthermore, if and as the Evolve Fund's Solana holdings grow, the Evolve Fund and its custodians may become a more appealing target for cyber security threats such as hackers and malware. Furthermore, cybersecurity attacks orchestrated or funded by state actors may be particularly difficult to defend against because of the resources that state actors have at their disposal.

No storage system is impenetrable, and storage systems employed by the Evolve Fund and its custodians may not be free from defect or immune to force majeure events. Any loss due to a security breach, software defect or force majeure event generally will be borne by the Evolve Fund, which will adversely affect the value of the Units.

Such storage systems and operational infrastructure may be breached due to the actions of outside parties, error or insider malfeasance of an employee of the Manager or its custodians, or otherwise, and, as a result, an unauthorized party may obtain access to the Manager's, the Evolve Fund's, or the Evolve Fund's custodians' storage systems, private keys, data or Solana. Additionally, outside parties may attempt to fraudulently induce employees of the custodians or the Manager to disclose sensitive information in order to gain access to the Evolve Fund's infrastructure. The Manager its custodians or any technological consultant engaged by them may periodically examine and propose modifications to storage systems, protocols and internal controls to address the use of new devices and technologies to safeguard the Evolve Fund's systems and Solana. As the techniques used to obtain unauthorized access, disable or degrade service, or sabotage systems change frequently, or may be designed to remain dormant until a predetermined event and often are not recognized until launched against a target, the Manager may be unable to anticipate these techniques or implement adequate preventative measures. If an actual or perceived breach of a storage system occurs, a loss of confidence in the Solana Network may decrease the market price of the Evolve Fund's investments. An actual or perceived breach may also cause Unitholders to seek redemption of or sell their Units, which may harm the Evolve Fund's investment performance.

If the Evolve Fund's holdings of Solana are lost, stolen or destroyed under circumstances rendering a party liable to the Evolve Fund, the responsible party may not have the financial resources sufficient to satisfy the Evolve Fund's claim. For example, as to a particular event of loss, the only source of recovery for the Evolve Fund may be limited to the relevant custodian or, to the extent identifiable, other responsible third parties (for example, a thief or terrorist), any of which may not have the financial resources (including liability insurance coverage) to satisfy a valid claim of the Evolve Fund. Similarly, as noted below, the Evolve Fund's custodians have limited liability to the Evolve Fund, which will adversely affect the Evolve Fund's ability to seek recovery from them, even when they are at fault.

Solana Investment Risks

The further development and acceptance of the Solana Network is subject to a variety of factors that are difficult to evaluate. The slowing or stopping of the development or acceptance of the Solana Network may adversely affect the NAV of the Evolve Fund and an investment in the Units. The growth of Solana, as well as Solana's significant market

share, is subject to a high degree of uncertainty. The factors affecting Solana's further growth and development, include but are not limited to:

- continued worldwide growth in the adoption and use of Solana, which may be impacted by, among other things, negative publicity, perceived illicit uses of digital assets, security risks for individual holders of digital assets and software or hardware malfunctions affecting Solana users;
- government and quasi-government regulation of Solana and its use, or restrictions on or regulation of access to and operation of the Solana Network;
- changes in consumer demographics, demand and preferences;
- the maintenance and development of the open-source software protocol of the Solana Network;
- the availability and popularity of other forms or methods of buying and selling goods and services, including other cryptocurrencies and new means of using fiat currencies;
- the further development of additional applications and scaling solutions; and
- general economic conditions and the regulatory environment relating to Solana and other cryptocurrencies; and negative consumer or public perception of Solana or cryptocurrencies generally.

There is no assurance that the Solana Network, or the ecosystem of developers, stakers and users necessary to accommodate it, will continue in existence or grow. Furthermore, there is no assurance that the availability of and access to Solana Network service providers will not be negatively affected by government regulation or supply and demand of Solana. A decline in the popularity or acceptance of the Solana Network may impair the price of Solana while an increased acceptance of the Solana Network may benefit the price of Solana, either of which could have an impact on the value of the Evolve Fund's investments.

Solana Generally

Solana is loosely regulated and there is no central marketplace for Solana. Supply is determined by a computer code, not by a central bank, and prices can be extremely volatile. Additionally, Solana trading platforms may suffer from operational issues, such as delayed execution, that could have an adverse effect on the Evolve Fund. Some cryptocurrency trading platforms have been closed due to fraud, failure or security breaches.

Several factors may affect the price of Solana, including, but not limited to: supply and demand, investors' expectations with respect to the rate of inflation, interest rates, currency exchange rates or future regulatory measures (if any) that restrict the trading of Solana or the use of Solana as a form of payment. There is no assurance that Solana will maintain its long-term value in terms of purchasing power in the future, or that mainstream retail merchants will accept Solana as a form of payment.

Solana is created, issued, transmitted, and stored according to protocols run by computers in the Solana Network. It is possible the Solana protocol has undiscovered flaws which could result in the loss of some or all of the assets held by the Evolve Fund. There may also be network-scale attacks against the Solana protocol, which could result in the loss of some or all of the Solana held by the Evolve Fund. Advancements in quantum computing could break Solana's cryptographic rules. The Manager makes no guarantees about the reliability of the cryptography used to create, issue, or transmit Solana which will be held by the Evolve Fund.

The regulation of Solana, digital assets and related products and services continues to evolve. The inconsistent and sometimes conflicting regulatory landscape may make it more difficult for digital asset businesses to provide services, which may impede the growth of the Solana economy and have an adverse effect on consumer adoption of Solana. There is a possibility of future regulatory change altering, perhaps to a material extent, the nature of an investment in the Units or the ability of the Evolve Fund to continue to operate. Additionally, to the extent that Solana itself is determined to be a security, commodity future or other regulated asset, or to the extent that a government or quasi-governmental agency exerts regulatory authority over the Solana Network, Solana trading or ownership in Solana, such determination may have an adverse effect on the value of an investment in the Evolve Fund. It is impossible to predict how future legal and regulatory changes, or the threat of such changes, may impact the Evolve Fund.

Short History Risk

Solana is a new technological innovation with a limited history. Due to this short history, it is not clear how all elements of Solana will unfold over time, specifically with regard to governance between validators, developers and users, as well as the long-term security model as the rate of inflation of Solana decreases. There is no assurance that usage of Solana and its blockchain will continue to grow. A contraction in the use of Solana or its blockchain may result in increased volatility or a reduction in the price of Solana which could have a material adverse effect on the NAV of the Evolve Fund and an investment in the Units.

The Solana Network operates on both a proof-of-history and PoS consensus model. Proof-of-history and PoS blockchain networks are newer and generally not as widely used as proof-of-work blockchain networks and may be untested at scale. As a result, proof-of-history and/or PoS blockchain networks may not work as intended. If proof-of-history and/or PoS blockchain networks do not function as intended or fail to gain adoption, the value of digital assets relying on proof-of-history and/or PoS mechanisms may be negatively affected, which could adversely affect the NAV of the Evolve Fund.

Risks Related to the Pricing Source

The Evolve Fund's Solana will be valued, including for purposes of determining the NAV of the Evolve Fund based upon the CME CF Solana-Dollar Reference Rate.

As the CME CF Solana-Dollar Reference Rate is calculated based on Constituent Solana Trading Platforms only, it will not necessarily be reflective of the price of Solana available on any given Solana trading platform or other venue where the Evolve Fund's trades are executed. In addition, the CME CF Solana-Dollar Reference Rate is available once per day, whereas Solana trades 24 hours a day. As such, the CME CF Solana-Dollar Reference Rate may not be reflective of market events and other developments that occur after its pricing window and thus the CME CF Solana-Dollar Reference Rate may not be reflective of the then-available market price of Solana in periods between its calculation. The Manager does not intend, and disclaims any obligation, to determine whether the CME CF Solana-Dollar Reference Rate reflects the realizable market value of Solana or the price at which market transactions in Solana could be readily affected at any given time.

Because the NAV of the Evolve Fund will be based almost entirely on the value of the Evolve Fund's Solana portfolio as determined by reference to the CME CF Solana-Dollar Reference Rate, and redemptions and subscriptions will be valued based on the NAV per Unit, if the CME CF Solana-Dollar Reference Rate does not reflect the realizable market value of Solana, at a given time, redemption or subscriptions will be effected at prices that may materially adversely affect the Unitholder and the Evolve Fund.

Volatility

The Solana market is sensitive to new developments, and since volumes are still maturing, any significant changes in market sentiment (by way of sensationalism in the media or otherwise) can induce large swings in volume and subsequent price changes. Such volatility can adversely affect the NAV of the Evolve Fund.

The price of Solana on public digital asset trading platforms has a limited history. Solana prices on the digital asset trading platforms as a whole have been volatile and subject to influence by many factors including the levels of liquidity on digital asset trading platforms. Even the largest digital asset trading platforms have been subject to operational interruption, limiting the liquidity of Solana on the digital asset trading platform market and resulting in volatile prices and a reduction in confidence in the Solana Network and the digital asset trading platform market generally. Purchasing activity on the digital asset trading platforms by the Evolve Fund may adversely affect the price of Solana and trading prices of Units of the Evolve Fund, given the limited number of digital asset trading platforms.

Momentum and speculative pricing, which has been associated with, among others, digital currency and similar type of speculative investments, may be responsible for appreciation in value of Solana and may also lead to significant fluctuations in value of Solana due to changing investor confidence or sentiment. As a result, Solana may be more likely to fluctuate in value due to changing investor confidence, which, along with the Evolve Fund's objective to invest in Solana on a passive basis meaning that the Evolve Fund will not reposition or take defensive positions, could result in greater volatility in the value of Solana which could adversely affect an investment in and value of Units of the Evolve Fund.

Despite the advantages of the Solana Network over other digital protocols, it is possible that another digital protocol could become materially popular due to either a perceived or exposed shortcoming of the Solana Network protocol

that is not immediately addressed by the Solana contributor community or a perceived advantage of an alternative digital token or “altcoin” that includes features not incorporated into Solana. If a digital asset obtains significant market share (either in market capitalization or use as a payment technology), this could reduce Solana’s market share and have a negative impact on the demand for, and price of, Solana and thereby adversely affect the NAV per Unit of the Evolve Fund.

Momentum Pricing

The market value of the Units in the Evolve Fund may be affected by momentum pricing of Solana due to speculation about future price appreciation. Momentum pricing typically is associated with growth stocks and other assets whose valuation, as determined by the investing public, is impacted by anticipated future appreciation in value. Momentum pricing may result in speculation regarding future appreciation in the value of digital assets, which inflates prices and may lead to increased volatility.

Limited Use

Use of Solana as a means of payment for goods and services remains limited. Price volatility undermines Solana’s utility as a medium of exchange and use of Solana as a medium of exchange and payment method may always be low. A lack of growth as a medium of exchange and payment method, or a contraction of such use, as well as a lack of adoption of the Solana Network, may result in increased volatility or a reduction in the value of Solana, either of which could adversely impact the NAV of the Evolve Fund and an investment in the Units. There can be no assurance that such acceptance will grow, or not decline, in the future.

Scaling Obstacles

Many digital asset networks face significant scaling challenges. As the use of digital asset networks increases without a corresponding increase in throughput of the networks, average fees and settlement times can increase significantly.

Increased fees and decreased settlement speeds could preclude certain use cases for Solana and can reduce demand for and the price of Solana, which could adversely impact the NAV of the Evolve Fund and an investment in the Units.

There is no guarantee that any of the mechanisms in place or being explored for increasing the scale of settlement of transactions in Solana will be effective, or how long these mechanisms will take to become effective, which could adversely impact the NAV of the Evolve Fund and an investment in the Units.

Private Keys

Solana private keys are stored in two different forms: “hot wallet” storage, whereby the private keys are connected to the internet; and “cold” storage, where digital currency private keys are stored completely offline. The Solana that the Sub-Custodian will hold for the Evolve Fund will be stored generally offline in cold storage only. Private keys must be safeguarded and kept private in order to prevent a third-party from accessing the digital asset while held in such wallet. To the extent a private key is lost, destroyed or otherwise compromised and no backup of the private key is accessible, the Evolve Fund will be unable to access, and will effectively lose, the Solana held in the related digital wallet. Any loss of private keys by the Sub-Custodian relating to digital wallets used to store the Evolve Fund’s Solana would adversely affect the NAV of the Evolve Fund and an investment in the Units.

Irrevocable Nature of Blockchain-Recorded Transactions

Solana transactions recorded on the Solana Blockchain (as defined herein) are not, from an administrative perspective, reversible without the consent and active participation of the recipient of the transaction or, in theory, control or consent of a majority of the Solana Network’s validators. Once a transaction has been verified and recorded in a block that is added to the blockchain, an incorrect transfer of Solana or a theft of Solana generally will not be reversible, and the Evolve Fund may not be capable of seeking compensation for any such transfer or theft. It is possible that, through computer or human error, or through theft or criminal action, the Evolve Fund’s Solana could be transferred from custody accounts in incorrect quantities or to unauthorized third parties. To the extent that the Manager or the Sub-Custodian is unable to seek a corrective transaction with such third-party or is incapable of identifying the third-party that has received the Evolve Fund’s Solana through error or theft, the Evolve Fund will be unable to revert or otherwise recover incorrectly transferred Solana. To the extent that the Evolve Fund is unable to seek redress for such error or theft, such loss could adversely affect the NAV of the Evolve Fund and an investment in the Units.

Internet Disruptions

A significant disruption in internet connectivity could disrupt the Solana Network's operations until the disruption is resolved, and such disruption could have an adverse effect on the price of Solana. In particular, some digital assets have experienced a number of denial-of-service attacks, which have led to temporary delays in block creation and digital asset transfers. While in certain cases in response to an attack, an additional "hard fork" has been introduced to increase the cost of certain network functions, the relevant network has continued to be the subject of additional attacks. Moreover, it is possible that as Solana increases in value, they may become bigger targets for hackers and subject to more frequent hacking and denial-of-service attacks.

Gateway Protocol Hijackings

Digital assets are also susceptible to border gateway protocol hijacking, or BGP hijacking. Such an attack can be a very effective way for an attacker to intercept traffic en route to a legitimate destination. BGP hijacking impacts the way different nodes and validators are connected to one another to isolate portions of them from the remainder of the network, which could lead to a risk of the network allowing double-spending and other security issues. If BGP hijacking occurs on the Solana Network, participants may lose faith in the security of Solana, which could affect Solana's value and consequently the value of the Units.

Any future attacks that impact the ability to transfer Solana could have a material adverse effect on the price of Solana and the value of an investment in the Units.

Malicious Attacks on the Network

Digital asset networks, including the Solana Network, are subject to control by entities that capture a significant amount of the network's processing power or a significant number of developers important for the operation and maintenance of such digital asset network.

Control of Processing Power

The Solana Network uses PoS and proof-of-history blockchain technology to ensure the secure transfer and authenticity of each Solana and hosts the public transaction ledger on which all Solana is recorded (the "**Solana Blockchain**"). The Solana Blockchain is a decentralized digital file, or ledger, that contains all the records of Solana, and is stored in multiple copies globally on the computers of users of the Solana Network. If a malicious actor or botnet (i.e., a volunteer or hacked collection of computers controlled by networked software coordinating the actions of the computers) obtains a majority of the processing power dedicated to validation on the Solana Network, it may be able to construct fraudulent blocks or prevent certain transactions from completing, either in a timely manner or at all. The malicious actor or botnet could control, exclude or modify the ordering of transactions. A malicious actor could "double-spend" its own Solana interests (i.e., spend the same Solana interests in more than one transaction) and prevent the confirmation of other users' transactions for so long as it maintained control. To the extent that such malicious actor or botnet did not yield its control of the processing power on the Solana Network, or the network community did not reject the fraudulent blocks as malicious, reversing any changes made to the Solana Blockchain may not be possible. Further, a malicious actor or botnet could create a flood of transactions in order to slow down confirmations of transactions on the Solana Network.

Some digital asset networks have been subject to malicious activity achieved through control over 50% of the processing power on the network. The possible crossing of the 50% threshold indicates a greater risk that a single validation pool could exert authority over the validation of digital asset transactions, and this risk is heightened if over 50% of the processing power on the Solana Network falls within the jurisdiction of a single governmental authority. To the extent that the Solana ecosystem, including the core developers and the administrators of validation pools, does not act to ensure greater decentralization of validation processing power, the feasibility of a malicious actor obtaining control of the processing power on the Solana Network will increase, which may adversely affect the NAV of the Evolve Fund and an investment in the Units.

Control of Developers

A malicious actor may also obtain control over the Solana Network through its influence over core or influential developers. For example, this could allow the malicious actor to block legitimate network development efforts or attempt to introduce malicious code to the network under the guise of a software improvement proposal by such a

developer. Any actual or perceived harm to the Solana Network as a result of such an attack could result in a loss of confidence in the source code or cryptography underlying the Solana Network, which could negatively impact the demand for Solana and therefore adversely affect the NAV of the Evolve Fund and an investment in the Units.

Faulty Code

In the past, flaws in the source code for digital assets have been exposed and exploited, including those that exposed users' personal information and/or resulted in the theft of users' digital assets. Several errors and defects have been publicly found and corrected, including those that disabled some functionality for users and exposed users' personal information. Discovery of flaws in, or exploitations of, the source code that allow malicious actors to take or create money in contravention of known network rules have occurred. In these circumstances, a malicious actor may be able to steal the Evolve Fund's Solana, which would adversely affect an investment in the Units. Even if the affected digital asset is not Solana, any reduction in confidence in the source code underlying digital assets generally could negatively impact the demand for Solana and therefore adversely affect the NAV of the Evolve Fund and an investment in the Units.

Network Development and Support

The Solana Network operates based on open-source protocol. As the Solana Network protocol is not sold and its use does not generate revenues for development teams, core developers may not be directly compensated for maintaining and updating the Solana Network protocol. Consequently, developers may lack a financial incentive to maintain or develop the network, and the core developers may lack the resources to adequately address emerging issues with the network. There can be no guarantee that developer support will continue or be sufficient in the future. Additionally, some development and developers may be funded by companies whose interests may be at odds with other participants in the network or with the Evolve Fund. To the extent that material issues arise with the Solana Network protocol and the core developers and open-source contributors are unable or unwilling to address the issues adequately or in a timely manner, the Solana Network, the NAV of the Evolve Fund and an investment in the Units may be adversely affected.

Network Governance

Governance of decentralized networks, such as the Solana Network, is achieved through voluntary consensus and open competition. In other words, Solana has no central decision-making body or clear manner in which participants can come to an agreement other than through overwhelming consensus. The lack of clarity on governance may adversely affect Solana's utility and ability to grow and face challenges, both of which may require solutions and directed effort to overcome problems, especially long-term problems.

There is no official company or group that is responsible for making modifications to the Solana Network. However, the Solana Network's development has been overseen historically by the Solana Foundation. The developers at the Solana Foundation are able to access and modify the Solana Network source code and, as a result, they are responsible for official releases of updates and other changes to the Solana Network's source code through the release of new "features" which have, to date, been run through an on-chain voting process using a 67% acceptance of validators threshold where validator votes are allocated on a stake-weighted basis.

Should a lack of clarity in the Solana Network's governance slow the network's development and growth, the NAV of the Evolve Fund and the value of the Units may be adversely affected.

Network Forks

If a significant proportion of the users on the Solana Network declined to install software upgrade(s), the Solana Network could "fork." If this were to occur, two separate Solana Networks could result, one running the pre-modification software program and the other running the modified version (i.e., a second "Solana" network). Forks may also occur as a network community's response to a significant security breach. In the event of a permanent fork into two separate and incompatible Solana Networks, the price movements of different versions of Solana on different Solana Networks could deviate. If such a permanent fork were to happen, the Manager would evaluate the characteristics of each Solana Network to determine in its sole discretion which Solana Network it believed would provide exposure that best comports with the Evolve Fund's investment objective. If the Manager determines to provide exposure to the price movements of Solana from a selected Solana Network, and if the interest in such selected Solana Network diminishes or increases relative to the Solana Network that was not selected, this could adversely

affect the value of the Evolve Fund's investments. The nature of the Solana Network's protocols and open source software makes the protocols vulnerable to exploitation. If the governance mechanism responsible for maintaining the protocol is unable to address potential flaws in a timely manner, a malicious actor who detects flaws in the protocol could damage the Solana Network and adversely affect the market for Solana. Any malicious damage to the protocol of the Solana Network could also have an adverse impact on the operations of the Evolve Fund and on the value of the Units.

If Solana were to fork into two digital assets, the Evolve Fund would be expected to hold an equivalent amount of Solana and the new asset following the hard fork. However, the Evolve Fund may not be able, or it may not be practical, to secure or realize the economic benefit of the new asset for various reasons. For instance, the Custodian, Sub-Custodian or a security service provider may not agree to provide the Evolve Fund access to the new asset. In addition, the Evolve Fund may determine that there is no safe or practical way to custody the new asset, or that trying to do so may pose an unacceptable risk to the Evolve Fund's holdings in Solana, or that the costs of taking possession and/or maintaining ownership of the new digital asset exceed the benefits of owning the new digital asset.

The timing of any such occurrence is uncertain, and the Manager and the Sub-Custodian have sole discretion whether to claim a new asset created through a fork of the Solana Network, subject to certain restrictions that may be put in place by the Evolve Fund's service providers.

Forks in the Solana Network could adversely affect the NAV of the Evolve Fund and an investment in the Units or the ability of the Evolve Fund to operate. Additionally, laws, regulation or other factors may prevent the Evolve Fund from benefitting from the new asset even if there is a safe and practical way to custody and secure the new asset. For example, it may be illegal for the Evolve Fund to sell the new asset, or there may not be a suitable market into which the Evolve Fund can sell the new asset (either immediately after the fork or ever).

Network Outages

In the past, there have been network outages on the Solana Network. For example, on September 14, 2021, the Solana Network suffered a system outage after a surge in transaction volume on the network prompted the Solana Blockchain to crash. In this instance, block validators, which are those that determine which transactions on the Solana Network are valid and are hence recorded on the Solana Blockchain, could not come to a consensus as to which recent blocks were valid and which were invalid. They could therefore not determine which was the correct blockchain. This had the effect of slowing down the Solana Network and any new transactions took longer to validate, which created congestion. The Solana core development team effectively shut down the Solana Network and sent all the validators to a specific block to which they instructed all validators to sync. Once this was completed, the Solana Network was up and running again by the next day. As a result of this outage occurring over a short time period, there were few market impacts except for a drop in price due to negative sentiment. However, when these incidents occur for prolonged periods (which can be the case for any cryptocurrency), a chain of events usually occurs. Due to the uncertainty of which blockchain is the valid blockchain, an exchange will require a greater number of blocks for confirmation of a transaction. When a network starts becoming congested, an exchange will increase the number of blocks they will want to see validated before crediting any transactions, and when a network is completely down, no transactions can be validated. This has the effect of turning such exchange into an island and, as a result, the forces of arbitrage break down as markets are no longer fungible because you cannot deposit or withdraw any cryptocurrency to another exchange. Pricing then becomes dislocated between exchanges, which makes benchmark pricing harder to achieve. This uncertainty means that a regulator could argue that the underlying market is no longer "fair and orderly" and could therefore result in negative regulatory impacts for Solana.

Air Drops

Solana, similar to other cryptocurrencies, may become subject to an occurrence similar to a fork, which is known as an "air drop". In an air drop, the promoters of a new digital asset announce to holders of another digital asset that they will be entitled to claim a certain amount of the new digital asset for free. For the same reasons as described above with respect to hard forks, the Evolve Fund may or may not choose, or be able, to participate in an air drop, or may or may not be able to realize the economic benefits of holding the new digital asset. The timing of any such occurrence is uncertain, and the Manager has sole discretion whether to claim a new asset created through an air drop.

Intellectual Property

Third parties may assert intellectual property claims relating to the holding and transfer of digital assets and their source code. Regardless of the merit of any intellectual property or other legal action, any threatened action that reduces confidence in the Solana Network's long-term viability or the ability of end-users to hold and transfer Solana may adversely affect an investment in the Units. Additionally, a successful intellectual property claim could prevent market participants from accessing the Solana Network or holding or transferring their Solana, which could adversely impact the price of Solana and the value of the Evolve Fund's investments.

Competitors to the Solana Network

Many parties are developing a variety of digital assets. Private parties are also exploring the issuance of digital assets. It is possible that another digital asset could become materially popular due to either a perceived or exposed shortcoming of the Solana Network protocol that is not immediately addressed by the Solana contributor community or a perceived advantage of an "altcoin" that includes features not incorporated into Solana. However, Solana has gained substantial market share, which may be in part due to perceived institutional backing or potentially advantageous features not incorporated into Bitcoin or Ethereum. Nevertheless, if another digital asset were to obtain significant market share (either in market capitalization, mining power or use as a payment technology), this could reduce Solana's market share and have an impact on the demand for, and price of, Solana and thereby adversely affect the value of the Evolve Fund's investments.

Regulation of Digital Asset Trading Platforms

The venues through which Solana and other digital assets trade may be new and, in many cases, largely unregulated. Furthermore, many such venues, including digital asset platforms and over-the-counter market venues, do not provide the public with significant information regarding their ownership structure, management teams, corporate practices or regulatory compliance. As a result, the marketplace may lose confidence in, or may experience problems relating to, these venues. These market venues may impose daily, weekly, monthly or customer-specific transaction or withdrawal limits or suspend withdrawals entirely, rendering the exchange of Solana for fiat currency difficult or impossible. Participation in these market venues requires users to take on credit risk by transferring Solana from a personal account to a third party's account.

It is the stated position of the Canadian Securities Regulators that digital asset trading platforms must be licensed to operate in Canada and, absent exemptive relief or the execution of a pre-registration undertaking, must be licensed as a securities dealer (known as a "Crypto Trading Platform") with the Canadian Investment Regulatory Organization. The Manager will seek to ensure that the digital asset trading platforms through which the Evolve Fund transacts in Canada are in compliance with the applicable securities law framework and that any platforms through which it may transact in the United States or other global jurisdictions are reputable and in compliance with applicable anti-money laundering regulations.

Digital asset trading platforms have been closed due to fraud, failure or security breaches. In many instances, the customers of such digital asset trading platforms were not compensated or made whole for the partial or complete losses of their account balances in such digital asset trading platforms. While smaller digital asset trading platforms are less likely to have the infrastructure and capitalization that make larger digital asset trading platforms more stable, larger digital asset trading platforms are more likely to be appealing targets for hackers and "malware" (i.e., software used or programmed by attackers to disrupt computer operation, gather sensitive information or gain access to private computer systems).

Furthermore, many digital asset trading platforms lack certain safeguards put in place by more traditional exchanges to enhance the stability of trading on the platform and prevent flash crashes, such as limit-down circuit breakers. As a result, the prices of digital assets such as Solana on digital asset trading platforms may be subject to larger and/or more frequent sudden declines than assets traded on more traditional exchanges.

A lack of stability in digital asset trading platforms, manipulation of Solana markets by digital asset trading platform customers and/or the closure or temporary shutdown of such platforms due to fraud, business failure, hackers or malware, or government-mandated regulation may reduce confidence in Solana generally and result in greater volatility in the market price of Solana. Furthermore, the closure or temporary shutdown of a digital asset trading platform may impact the Evolve Fund's ability to determine the value of its Solana holdings or to purchase or sell

Solana. These potential consequences of a Solana trading platform's failure or failure to prevent market manipulation could adversely affect the NAV of the Evolve Fund and an investment in the Units.

Liquidity Constraints on Digital Asset Trading Platforms

While the liquidity and traded volume of Solana are continually growing, it is still a maturing asset. The Evolve Fund may not always be able to acquire or liquidate its assets at a desired price. It may become difficult to execute a trade at a specific price when there is a relatively small volume of buy and sell orders in the marketplace, including on digital asset trading platforms. When transacting in the Solana markets, the Evolve Fund will be competing for liquidity with other large investors, including speculators, other investment funds and institutional investors.

Unexpected market illiquidity, and other conditions beyond the Manager's control, may cause major losses to the holders of a cryptocurrency or digital asset, including Solana. The large position in Solana that the Evolve Fund may acquire increases the risks of illiquidity by making its Solana difficult to liquidate. In addition, liquidation of significant amounts of Solana by the Evolve Fund may impact the market price of Solana.

Risks of Political or Economic Crises

Political or economic crises may motivate large-scale sales of Solana and other cryptocurrencies, which could result in a reduction in the price of Solana and adversely affect the NAV of the Evolve Fund and an investment in the Units. As an alternative to fiat currencies that are backed by central governments, cryptocurrencies, such as Solana, which are relatively new, are subject to supply and demand forces based upon the desirability of an alternative, decentralized means of buying and selling goods and services, and it is unclear how such supply and demand will be affected by geopolitical events. Nevertheless, political or economic crises may motivate large-scale acquisitions or sales of Solana either globally or locally. Large-scale sales of Solana would result in a reduction in the price and adversely affect the NAV of the Evolve Fund and an investment in the Units.

Insurance

Neither the Evolve Fund nor the Custodian will maintain insurance against risk of loss of Solana held by the Evolve Fund, as such insurance is not currently available in Canada on economically reasonable terms but Coinbase, the sub-custodian of the Evolve Fund, maintains commercial crime insurance in respect of the Solana held by it. The Evolve Fund's Solana will generally be held offline in cold storage only.

Technological Change

Large holders of Solana and Solana trading platforms must adapt to technological change in order to secure and safeguard client accounts. The ability of the Evolve Fund's custodians to safeguard the Solana that the Evolve Fund holds from theft, loss, destruction or other issues relating to hackers and technological attack is based upon known technology and threats. As technological change occurs, such threats will likely adapt, and previously unknown threats may emerge. Furthermore, the Evolve Fund may become a more appealing target of security threats as the size of the Evolve Fund's Solana holdings grows. If the Manager, the Evolve Fund or the Evolve Fund's custodian is unable to identify and mitigate or stop new security threats, the Evolve Fund's Solana may be subject to theft, loss, destruction or other attack, which could have a negative impact on the performance of the Units or result in loss of the Evolve Fund's assets.

Effects of Blockchain Analytics

Solana utilizes a public blockchain on which all transactions are publicly viewable and contain certain information about the transaction, such as the public wallet addresses and amounts involved. Accordingly, individual Solana can be traced through statistical analysis, big data and by imposing an accounting convention such as "last in, first out" or "first in, first out". These methods are commonly referred to as "blockchain analytics". The fact that blockchain analytics can be performed implies that Solana is not perfectly fungible because prospective purchasers can theoretically discriminate against Solana by making certain assumptions about its particular transaction history in light of any legal risks associated with holding "tainted" currency, as the legal framework protecting fungibility of government-issued currency does not clearly apply to Solana. Potential risks include (i) a holder being exposed to conversion tort liability if Solana were previously stolen or (ii) a digital asset trading platform refusing to exchange the Solana for government-issued currency on anti-money laundering or economic sanctions grounds.

Though the market currently does not apply discounts or premia to Solana in this manner, if the risks noted above, or similar risks, begin to materialize, then blockchain analytics could lead to disruptions in the market. For example, if a digital asset trading platform begins to discriminate based on transaction history, individual units of Solana could begin to have disparate value, possibly based on “grades” that are calculated based on factors such as age, transaction history and/or relative distance from flagged transactions or blacklisted addresses. Such developments could become a substantial limiting factor on Solana’s usefulness as a currency, and serve to reduce the value of, or restrict the Evolve Fund’s ability to liquidate, Solana held in its portfolio.

Bans or Prohibitions Affecting Solana

Digital assets including Solana currently face an uncertain regulatory landscape in many jurisdictions. Various foreign jurisdictions may, in the near future, adopt laws, regulations or directives that affect Solana and other digital assets. Such laws, regulations or directives may conflict with those of Canada or the United States and may negatively impact the acceptance of Solana by users, merchants and service providers in such jurisdictions and may therefore impede the growth or sustainability of the digital asset economy or otherwise negatively affect the value of Solana and therefore the value of the Units.

Additionally, regulators and legislatures have taken action against digital asset businesses or enacted restrictive regimes in response to adverse publicity arising from hacks, consumer harm, or criminal activity stemming from digital asset activity. Furthermore, it has been reported that certain South Korean digital asset trading platforms have experienced cybersecurity attacks by North Korean state actors with the intent of stealing digital assets. Cybersecurity attacks by state actors, particularly for the purpose of evading international economic sanctions, are likely to attract additional regulatory scrutiny to the acquisition, ownership, sale and use of digital assets, including Solana. Such adverse publicity or regulatory scrutiny could adversely affect the value of Solana, and therefore the value of the Units.

Control of Outstanding Solana

There may be individuals or entities that control large amounts of Solana, which could have an impact of the value of Solana, and therefore an impact of the performance of the Evolve Fund.

Significant Increase in Solana or the Solana Network Use

One issue within the Solana Network community has been around how to scale the network as user demand continues to rise. It will be important for the community to continue to develop at a pace that meets the demand for transacting in Solana and on the Solana Network, otherwise users may become frustrated and lose faith in the network, which may in turn adversely affect the NAV per Unit of the Evolve Fund and/or lead to volatile NAV per Unit. As a decentralized network, strong consensus and unity is particularly important for the Solana Network to respond to potential growth and scalability challenges.

Supply Risk

Although it is possible to view the amount of Solana owned by any public address, there is no registry showing which individuals or entities own Solana or the quantity of Solana owned by any particular person or entity. It is possible that a small group of early Solana adopters hold a significant proportion of the Solana that has thus far been created. There are no regulations in place that would prevent a large holder of Solana from selling their Solana, which could depress the price of Solana. Currently, a significant portion of Solana demand is generated by speculators and investors seeking to profit from the short- or long-term holding of Solana. A lack of expansion by Solana as a means for other use cases, or a contraction of such use, may result in increased volatility, which could adversely affect an investment in the Evolve Fund.

Fraud and Manipulation in the Markets for Solana May Affect the Value of the Units

The price of Solana may be influenced by fraud and manipulation for a number of reasons, including but not limited to the following: most Solana spot markets are not regulated or supervised by a government agency; platforms may lack critical system safeguards, including adequate cyber-security and privacy protections for their users; volatile market price swings or flash crashes; cyber risks, such as hacking customer wallets; and/or platforms selling from their own accounts and putting customers at an unfair disadvantage. Any act of fraud or manipulation in the Solana marketplace may adversely affect an investment in the Units.

Disruptions at OTC Trading Desks and Potential Consequences of an OTC Trading Desk's Failure Could Adversely Affect an Investment in the Units

There are a limited number of OTC trading desks with which the Evolve Fund can transact in Solana to effect issuances and redemptions (if any). A disruption at or withdrawal from the market by any such OTC trading desk may adversely affect the Evolve Fund's ability to purchase or sell Solana, which may potentially negatively impact the market price of the Units. A disruption at one or more OTC trading desks could reduce liquidity in the market and may negatively impact the Evolve Fund's ability to value its Solana. Because there is currently no publicly disseminated and verifiable feed with respect to the price of Solana in the OTC market, investors must rely on other pricing sources, such as the CME CF Solana-Dollar Reference Rate or prices obtained directly from the OTC trading desks or digital asset exchanges, to obtain the price of Solana.

Risk Factors Relating to Staking Arrangements

Earning Yield Through Staking Risk

Under a PoS protocol, token holders who voluntarily commit to staking are given the exclusive right to validate transactions and participate in consensus. Token holders can elect to stake their Solana in order to earn staked Solana rewards, similar to a yield. Solana holders can actively participate in the staking of their Solana by operating a validator node, or alternatively, token holders can participate in staking by delegating their Solana to a validator node operated by another party. The Evolve Fund will participate in staking by delegating its Solana to a validator node operated by a third party. The Evolve Fund will not itself operate validator nodes, but may delegate Solana to the Sub-Custodian.

Validator nodes are selected randomly to validate transactions and earn staked Solana rewards for completing such validation. Approximately every 400-600 milliseconds, a new block is added to the Solana Network with the latest transactions processed by the network, and the validator that generated this block is awarded Solana. As such, there is not a competitive race to solve a mathematical puzzle that prevails in a proof-of-work consensus mechanism. One important benefit of the PoS protocol is the reduction in computing power, computing equipment and energy usage. Independent estimates are that electricity usage has decreased by over 99.5% for PoS versus proof-of-work, thus aligning with global initiatives for carbon emission reductions.

Fees are paid to validators that participate in the consensus and propose new blocks on the Solana Network and other validators earn much lower fees for attesting to each block. Validators perform both roles on a continuous basis and are called upon on a random basis. Validators perform such functions on their own behalf and not as agent for any owner of Solana that may delegate Solana to them, although rewards may also be received by owners of Solana that delegate Solana to a validator.

The Solana trading market may be impacted by the supply of Solana that voluntarily elects to commit to staking.

Staking Timeline and Unbonding Periods Risk

Those who have staked Solana are able to withdraw their staked Solana and rewards from the Solana Network, however there are risks associated with withdrawing all or some of the staked Solana ("**unbonding**"). If the timing associated with the process of unbonding is for any reason delayed, the Manager will not be able to withdraw or liquidate the staked Solana. If there is a delay in the unbonding of Solana, this may prevent the Evolve Fund from realizing the fiat value of the staked Solana and rewards earned on staked Solana during the unbonding period. Given the volatility of Solana, the value of the staked Solana at the time of completion of the unbonding period may be significantly less than the value of the Solana at the time a decision is taken to withdraw staked Solana. Such delay may adversely affect the business and liquidity of the Evolve Fund and the NAV per Unit.

Reliance on Sub-Custodian for Staking Arrangements

Staking Arrangements could be disrupted if the Sub-Custodian experiences operational or other systems difficulties, terminates its staking services, fails to comply with regulations, or raises its prices. The Evolve Fund may also suffer the consequences of the Sub-Custodian's mistakes, if any. For example, if the Sub-Custodian fails to behave as

expected, suffers cybersecurity attacks, experiences security issues or encounters other problems, the assets of the Evolve Fund may be irretrievably lost. The failure or capacity restraints of the Sub-Custodian, a cybersecurity breach involving the Sub-Custodian or the termination or change in terms or price of an agreement on which the Evolve Fund relies, could disrupt Staking Arrangements. Replacing the Sub-Custodian or addressing other issues with service providers could entail significant delay, expense and disruption for the Evolve Fund. As a result, if the Sub-Custodian experiences difficulties, is subject to cybersecurity breaches, terminates its services, disputes the terms of a relevant agreement or raises its prices, and the Manager is unable to replace the Sub-Custodian, particularly on a timely basis, Staking Arrangements could be interrupted or disrupted.

Slashing and Missed Rewards Risk

The Solana Network dictates requirements for participation in the relevant decentralized governance activity and may impose slashing penalties if the relevant activities are not performed correctly, such as if the validator acts maliciously on the network, “double signs” any transactions or experiences extended downtime. In terms of the Staking Arrangements, if the Sub-Custodian is slashed by the Solana Network, a variable amount of assets of the Evolve Fund will be burned by the Solana Network and irretrievable by the Evolve Fund. There is no assurance that the Evolve Fund or the Sub-Custodian will not be subject to slashing penalties or that the Evolve Fund will be able to recover any percentage of Solana that has been subject to slashing penalties.

Validator downtime incurs a minor inactivity penalty by the Solana Network not exceeding the activity reward earned when a validator is functioning correctly. Penalties incurred during downtime can be offset by the validator resuming its duties. During a period of extended downtime, the Evolve Fund may also be prevented from obtaining rewards in respect of periods during which the validator is inactive on the Solana Network.

The Solana Network also imposes “bonding” periods on newly staked Solana during which staked Solana is ineligible for rewards. Once staking is initiated, a validator enters a queue to become “activated,” which takes approximately two days. During the bonding period, the staked assets of the Evolve Fund will not be eligible to receive any staking rewards and may not be withdrawn.

Due Diligence on Sub-Custodian may be Insufficient Risk

The Evolve Fund will be exposed to the risk of loss of staked Solana if the Sub-Custodian fails to operate its network node(s) in accordance with the rules of the Solana Network, as Solana may be “slashed” or inactivity penalties may be applied if the validator node “double signs” or experiences extended downtime. The Evolve Fund may also be prevented from obtaining rewards in respect of periods during which the validator is inactive on the Solana Network. The Manager intends to mitigate these risks by conducting due diligence on the Sub-Custodian. In particular, the Manager has considered the following factors in selecting the Sub-Custodian to perform Staking Arrangements (and the Manager would consider the same factors if it were to select a new service provider to perform Staking Arrangements):

- the persons that manage and direct the operations of the validator;
- the reputation of the validator and its use by others;
- the amount of crypto assets the validator has staked on its own nodes;
- the measures in place by the validator to operate the nodes securely and reliably;
- the financial status of the validator;
- the quality of the validator’s work (i.e., the amount of downtime of the validator, past history of “double signing” and “double attestation/voting”); and
- any slashing penalties previously incurred by the validator.

Notwithstanding these efforts to mitigate risks related to a malicious or incompetent validator, new facts may come to light which demonstrate that the Manager’s initial assessment was flawed. In such instances, the Evolve Fund may be subject to the risks identified in “Risk Factors – Slashing and Missed Rewards Risk”, and Staking Arrangements could be interrupted or disrupted. If the Manager believes that its initial assessment of the Sub-Custodian was flawed, it will likely seek out new service providers to assist it in providing Staking Arrangements, which could cause significant interruptions, disruptions or delays. In addition, notwithstanding the occurrence of an event that demonstrates that the

Manager's initial assessment of a validator was flawed, the Solana staked with the Sub-Custodian may still be subject to an unbonding period during which the Evolve Fund will continue to have to rely on the services provided by the Sub-Custodian.

Due Diligence on the Solana Network may be Insufficient Risk

In addition to conducting due diligence on Staking and the review described in "Risk Factors – Due Diligence on Sub-Custodian may be Insufficient Risk", the Manager has conducted due diligence on how the Solana Network operates and the staking mechanism for Solana. The Manager's review focused on, among other things, publicly available information concerning: (i) material technical risks associated with the Solana Network's staking mechanism, including any code defects, security breaches and other threats concerning the staking mechanism; (ii) the scope and applicability of slashing and other penalties; (iii) the legal and regulatory risks associated with the Solana Network's staking mechanism, including any pending, potential, or prior civil, regulatory, criminal or enforcement action relating to the issuance, distribution or use of Solana; (iv) bonding and unbonding periods; (v) limits on the number of active validators; (vi) the mechanism for selecting validators; and (vii) token inflation.

Should new facts come to light which demonstrate that the Manager's initial review of the Solana Network's staking mechanism did not account for an unacceptable risk to the Evolve Fund, the Manager may determine that it is advisable to discontinue Staking Arrangements. The Manager's undertaking of these steps may occur concurrently with a rapid decline in the value of Solana and may also be a contributing factor to such decline.

The Evolve Fund is subject to the risk that there may be very little liquidity in Solana while the Manager is undertaking these steps – especially if Solana continues to be staked or subject to unbonding periods.

No Guarantee of Receiving Rewards Risk

Staking is similar in concept to a yield generation activity. However, staking is not a passive activity as it requires the validator to engage in the active function of running validator software which may be carried out by a third party. Yields are paid in Solana and are variable depending, primarily, on the total amount of Solana staked to the network. These activities are expected to result in Solana denominated staking income accruing to the Evolve Fund in respect of Solana delegated to the Sub-Custodian.

There is no guarantee that the Evolve Fund will receive any rewards in respect of staked Solana. Past rewards are not indicative of future returns. The staking rewards that the Evolve Fund may receive, if any, may be affected by, among other factors:

- the total amount of Solana staked by users of the Solana Network;
- the total amount of Solana staked pursuant to Staking Arrangements;
- changes to the Solana Network as a result of protocol governance decisions;
- changes to validator fees set by approved validators;
- anticipated or unanticipated downtime by approved validators;
- halts, outages or other anticipated or unanticipated interruptions affecting the Solana Network or the Sub-Custodian in performing the Staking Arrangements;
- "slashing" of Solana as a result of a violation of Solana Network rules by approved validators;
- validators ceasing to be eligible to participate in the Solana Network's PoS mechanism and earn rewards;
- "bonding", "unbonding" or other lock-up periods specified by the Solana Network;
- whether staking rewards are re-staked, either automatically by the Solana Network or as part of the operational processes of the Manager;
- re-delegation of the Evolve Fund's Solana to different validators; and
- delays or other operational factors related to or otherwise impacting Staking Arrangements.

Risks Relating to an Investment in the Evolve Fund

General Risks of Investments

The value of the underlying securities of the Evolve Fund, whether held directly or indirectly, may fluctuate in accordance with changes in the financial condition of the issuers of those underlying securities, the condition of equity and currency markets generally and other factors.

The risks inherent in investments in equity or debt securities, whether held directly or indirectly, include the risk that the financial condition of the issuers of the securities may become impaired or that the general condition of the stock market may deteriorate. Equity and debt securities are susceptible to general stock market fluctuations and the financial condition of the issuer. These investor perceptions are based on various and unpredictable factors, including expectations regarding government, economic, monetary and fiscal policies, inflation and interest rates, economic expansion or contraction and global or regional political, economic and banking crises.

Possible Loss of Investment

An investment in the Evolve Fund is appropriate only for investors who have the capacity to absorb a loss on their investment.

No Guarantee of a Return on Investment

There is no guarantee that an investment in Units will earn any positive return in the short- or long-term as the NAV of the Evolve Fund will generally fluctuate with the price of Solana and no interest or dividends will be earned on the Solana that is owned by the Evolve Fund.

Risks Related to Passive Investments

An investment in the Units should be made with an understanding that the NAV of the Evolve Fund will generally fluctuate in accordance with the price of Solana based on the CME CF Solana-Dollar Reference Rate. Because it is the Evolve Fund's objective to invest in Solana on a passive basis, the Evolve Fund's holdings will not be actively managed and accordingly, will not be hedged or repositioned to attempt to take defensive positions if the price of Solana declines or is expected to decline. The Evolve Fund will invest substantially all of its assets in Solana.

Concentration Risk

The Evolve Fund's investment objective is to provide Unitholders exposure to Solana and the Evolve Fund is not expected to have exposure to any other investments or assets. Other than cash or cash equivalents, the Evolve Fund will invest substantially all of its assets in Solana. The NAV of the Evolve Fund may be more volatile than the value of a more broadly diversified portfolio or investment fund and may fluctuate substantially over short period of time. This may have negative impact on the NAV of the Evolve Fund.

Reliance on the Manager and the Sub-Custodian

Unitholders will be dependent on the abilities of the Manager to effectively administer the affairs and implement the investment objective and strategy of the Evolve Fund and on the Sub-Custodian to safely custody the Evolve Fund's Solana. There is no certainty that the individuals who are principally responsible for providing administration and portfolio management services to the Evolve Fund will continue to be employed by the Manager. If the Sub-Custodian did not adequately safeguard the Evolve Fund's Solana, the Evolve Fund could suffer significant losses.

General Economic and Market Conditions

During the global financial crisis of 2007 to 2008, various sectors of the global financial markets experienced an extended period of adverse conditions featuring market uncertainty, reduced liquidity, greater volatility, general widening of credit spreads and a lack of price transparency. To the extent that similar marketplace events were to occur in the future, either as a result of a global pandemic or otherwise, these events may have an adverse impact on the Evolve Fund's investments and in turn the NAV of the Evolve Fund. In addition, governments from time to time intervene, directly and by regulation. Such intervention is often intended to directly influence prices and may, together with other factors, cause all of such markets to move rapidly in the same direction. It is also possible that a default by

one of several large institutions that are dependent on one another to meet their liquidity or operational needs may cause a series of defaults by other institutions. This is sometimes referred to as a “systemic risk.” These factors and general market conditions could have a material adverse effect on markets in general and on the Evolve Fund’s portfolio and on the Net Asset Value of the Evolve Fund.

Liquidity Risk

On any Trading Day, Unitholders may redeem Units, in any number, for cash at a redemption price per Unit equal to 95% of the closing price for the Units on the Designated Exchange on the effective day of the redemption, subject to certain conditions. To fund the payment of the redemption price, the Evolve Fund may dispose of Solana. The ability of the Evolve Fund to so dispose of Solana may be restricted by an event beyond its control, such as wars, interference by civil or military authorities, civil insurrections, local or national emergencies, blockades, seizures, riots, sabotage, vandalism, terrorism, storms, earthquakes, floods or nuclear or other explosions, or unexpected market illiquidity. During such events, the Evolve Fund may experience a delay in the receipt of the proceeds of disposition until such time as it is able to dispose of Solana, or may be able to do so only at prices which may not reflect the fair value of such investments.

No Direct Ownership Interest in Solana

An investment in Units does not constitute an investment by Unitholders in Solana, cash and cash equivalents included in the Evolve Fund’s portfolio. Unitholders will not own Solana or cash or cash equivalents held by the Evolve Fund.

Other Solana Investment Funds

The Evolve Fund will compete with other current and future financial vehicles and investment funds that offer economic exposure to the price of Solana. Such competitors may invest in Solana, including through securities backed by or linked to Solana, such as exchange-traded products (ETPs). Other competitors may invest in derivative financial products, which utilize Solana as the underlying asset. Market and financial conditions, and other conditions beyond the Evolve Fund’s control, may make it more attractive for investors to redeem or sell Units of the Evolve Fund in order to invest in other such financial vehicles, which could adversely affect Unitholders who continue to hold the Units. Furthermore, more attractive investment products not currently on the market could develop, which may also lead to investors redeeming or selling their Units.

If other financial vehicles or investment funds tracking the price of Solana are formed and come to represent a significant proportion of the demand for Solana, large redemptions of the securities of such competitors could result in large scale Solana liquidations. This could, in turn, negatively affect Solana prices, the Evolve Fund’s holding of Solana and the NAV of the Evolve Fund. In addition, these financial vehicles and other entities with substantial holdings in Solana may engage in large-scale hedging, sales or distributions which could also negatively impact the NAV of the Evolve Fund. See “Risk Factors – Large-Scale Sales or Distributions”.

Large-Scale Sales or Distributions

Some entities may hold large amounts of Solana relative to other market participants, and to the extent such entities engage in large-scale hedging, sales or distributions on nonmarket terms, or sales in the ordinary course, it could result in a reduction in the price of Solana and adversely affect the NAV of the Evolve Fund and an investment in the Units. Additionally, political or economic crises may motivate large-scale acquisitions or sales of such digital assets, including Solana, either globally or locally. Such large-scale sales or distributions could result in selling pressure that may reduce the price of Solana and adversely affect the NAV of the Evolve Fund and an investment in the Units.

Trading Price of Units

Units may trade in the market at a significant premium or a significant discount to the NAV per Unit. Despite the investment objectives of the Evolve Fund, there can be no assurance or guarantee that Units will trade at prices that reflect their NAV per Unit. The trading price of the Units will fluctuate in accordance with changes in the Evolve Fund’s NAV, as well as market supply and demand on the Designated Exchange and the ability of the Designated Broker and Dealers to create and redeem PNUs (which may also depend on the number of Units qualified for issuance under this prospectus at any time).

U.S. Currency Exposure

The Evolve Fund's functional and presentation currency is and the investor's investment will be made in U.S. dollars (although the ETF and investors are required to compute their income and gains for Canadian tax purposes in Canadian dollars – see “Income Tax Considerations”).

The Evolve Fund will purchase Solana which is currently denominated in U.S. dollars. Canadian investors should be aware that the Evolve Fund will not hedge the investor's investment in the Evolve Fund against Canadian currency exposure.

Fluctuations in NAV and NAV per Unit

The NAV and NAV per Unit of the Evolve Fund will vary according to, among other things, the value of the Solana held by the Evolve Fund. The Manager and the Evolve Fund have no control over the factors that affect the value of the Solana held by the Evolve Fund.

Residency of the Sub-Custodian

The Sub-Custodian is resident outside of Canada and all or a substantial portion of its assets are located outside Canada. As a result, anyone, including the Evolve Fund, seeking to enforce legal rights against the Sub-Custodian in Canada may find it difficult to do so.

SOC 2 Type 2 Report of the Sub-Custodian

The Sub-Custodian has advised the Manager that a SOC 2 Type 2 Report of its internal controls will be available for review by the auditor of the Evolve Fund in connection with the audit of the annual financial statements of the Evolve Fund. However, there is a risk that such SOC 2 Type 2 Report of the Sub-Custodian will not be available. In the event that the SOC 2 Type 2 Report is not available, the Manager will request confirmation from the Sub-Custodian in writing to permit the auditor of the Evolve Fund to test its internal controls. Although the Manager has received reasonable assurances from the Custodian and the Sub-Custodian that such written confirmation will be provided in the event that a SOC 2 Type 2 report of the Sub-Custodian is not available, there is a risk that such written confirmation will not be provided and/or that the auditor will not be able to test the internal controls of the Custodian and the Sub-Custodian directly. The Evolve Fund will file an undertaking with applicable securities regulatory authorities that provides that while it remains a reporting issuer, the Evolve Fund will obtain from the Sub-Custodian of the Evolve Fund either a SOC 2 Type 2 Report or written confirmation from the Sub-Custodian to permit the auditor of the Evolve Fund to test its controls.

In the event that the auditor of the Evolve Fund cannot: (i) review a SOC 2 Type 2 Report of the Sub-Custodian; or (ii) test the internal controls of the Sub-Custodian directly in connection with its audit of the Evolve Fund's annual financial statements, the auditor would not be able to complete its audit of the annual financial statements of the Evolve Fund in accordance with the current guidance of the Canadian Public Accountability Board.

Changes in Legislation

There can be no assurance that income tax, securities and other laws will not be changed in a manner that adversely affects the Evolve Fund or the Unitholders. There can be no assurance that Canadian federal income tax laws and the administrative policies and assessing practices of the CRA respecting the treatment of cryptocurrency, mutual fund trusts, SIFT trusts or an investment in a non-resident trust will not be changed in a manner that adversely affects the Evolve Fund or the Unitholders.

Taxation of the Evolve Fund

It is anticipated that the Evolve Fund will qualify, or will be deemed to qualify, at all times, as a “mutual fund trust” within the meaning of the Tax Act. For the Evolve Fund to qualify as a “mutual fund trust”, it must comply on a continuous basis with certain requirements relating to the qualification of its Units for distribution to the public, the number of Unitholders of the Evolve Fund and the dispersal of ownership of a particular class of its Units.

A trust will be deemed not to be a mutual fund trust if it is established or maintained primarily for the benefit of non-residents of Canada unless, at that time, all or substantially all of its property is property other than property that would

be “taxable Canadian property” (if the definition of such term in the Tax Act were read without reference to paragraph (b) thereof). The law does not provide any means of rectifying a loss of mutual fund trust status if this requirement is not met. The Declaration of Trust for the Evolve Fund contains a restriction on the number of permitted non-resident Unitholders.

The Evolve Fund is expected to meet all of the requirements to qualify as a “mutual fund trust” for the purposes of the Tax Act before the 91st day after the end of its first taxation year (determined without regard to any taxation year-end that may be deemed to occur for other purposes under the rules in the Tax Act relating to “loss restriction events”). Assuming the Evolve Fund meets these requirements before such day, the Evolve Fund will file an election to qualify as a mutual fund trust from its inception.

If the Evolve Fund does not qualify as a mutual fund trust or were to cease to so qualify, the income tax considerations as described under “Income Tax Considerations” would in some respects be materially and adversely different in respect of the Evolve Fund. For example, if the Evolve Fund does not qualify as a “mutual fund trust” within the meaning of the Tax Act throughout a taxation year, the Evolve Fund may be liable to pay tax under Part XII.2 of the Tax Act and would not be entitled to the Capital Gains Refund (as defined herein). In addition, if the Evolve Fund does not qualify as a mutual fund trust, it may be subject to the “mark-to-market” rules under the Tax Act if more than 50% of the fair market value of its Units are held by “financial institutions”, within the meaning of the Tax Act.

In order to achieve its investment objectives, the Evolve Fund will invest in Solana. The Manager expects that, in determining its income for tax purposes, the Evolve Fund will treat gains or losses realized on the disposition of Solana held by it as capital gains and losses. The CRA has stated that gains (or losses) of a taxpayer resulting from transactions in cryptocurrency (which the Manager expects includes Solana for these purposes) should generally be treated for tax purposes as capital gains (or capital losses), unless the gains (or losses) result from carrying on a business or an adventure or concern in the nature of trade; however, the CRA has also stated that it generally treats cryptocurrency like a commodity for purposes of the Tax Act and that gains (or losses) of mutual fund trusts resulting from transactions in commodities should generally be treated for income tax purposes as ordinary income rather than as capital gains, although the treatment in each particular case remains a question of fact to be determined having regard to all the circumstances. In addition, Solana may become subject to network forks and/or certain related occurrences such as air drops (See “Risk Factors – Risk Factors Relating to Solana – Network Forks” and “Risk Factors – Risk Factors Relating to Solana – Air Drops”). The tax treatment of forks, air drops and other occurrences affecting cryptocurrency is subject to considerable uncertainty, and the CRA may disagree with positions taken by the Evolve Fund in this regard. If any transactions of the Evolve Fund are reported by it on capital account, but are subsequently determined by the CRA to be on income account, or if the CRA were to disagree with positions taken by the Evolve Fund in relation to forks, air drops or other occurrences affecting Solana, there may be an increase in the net income of the Evolve Fund, which is generally automatically distributed by the Evolve Fund to the Unitholders under the terms of its declaration of trust at the Evolve Fund’s taxation year end; with the result that the Evolve Fund could be reassessed by the CRA to increase its taxable income by the amount of such increase. Any such redetermination by the CRA may result in the Evolve Fund being liable for unremitted withholding taxes on prior distributions made to its Unitholders who were not resident in Canada for purposes of the Tax Act at the time of the distribution. Such potential liability may reduce the Evolve Fund’s NAV and NAV per Unit.

Pursuant to rules in the Tax Act, if the Evolve Fund experiences a “loss restriction event” (i) it will be deemed to have a year-end for tax purposes (which would result in an unscheduled distribution of the Evolve Fund’s net income and net realized capital gains, if any, at such time to Unitholders so that the Evolve Fund is not liable for income tax on such amounts under Part I of the Tax Act), and (ii) it will become subject to the loss restriction rules generally applicable to a corporation that experiences an acquisition of control, including a deemed realization of any unrealized capital losses and restrictions on its ability to carry forward losses. Generally, the Evolve Fund will be subject to a loss restriction event if a Unitholder becomes a “majority-interest beneficiary”, or a group of persons becomes a “majority-interest group of beneficiaries”, of the Evolve Fund, as those terms are defined in the affiliated persons rules contained in the Tax Act, with certain modifications. Generally, a majority-interest beneficiary of the Evolve Fund is a beneficiary in the income or capital, as the case may be, of the Evolve Fund whose beneficial interests, together with the beneficial interests of persons and partnerships with whom the beneficiary is affiliated, have a fair market value that is greater than 50% of the fair market value of all the interests in the income or capital, as the case may be, of the Evolve Fund. Please see “Income Tax Considerations – Taxation of Holders” for the tax consequences of an unscheduled or other distribution to Unitholders.

The Tax Act contains rules (the “**SIFT Rules**”) concerning the taxation of publicly traded Canadian trusts and partnerships (i.e., “SIFT trusts” and “SIFT partnerships”) that own certain types of property defined as “non-portfolio property”. A trust that is subject to the SIFT Rules is subject to trust level taxation, at rates comparable to those that apply to corporations, on the trust’s income earned from “non-portfolio property” to the extent that such income is distributed to its unitholders. For this purpose, “non-portfolio property” of a trust would include any property that the trust or a person or partnership that does not deal at arm’s length with the trust for purposes of the Tax Act uses in the course of carrying on a business in Canada. The Manager intends to take the position that neither the Evolve Fund nor any person or partnership that does not deal at arm’s length with the Evolve Fund for purposes of the Tax Act will use Solana in the course of carrying on a business in Canada.

The CRA has indicated that the characterization of staking rewards as income from property or a business depends on the “level of activity” of the taxpayer in earning that income, and that this determination should be based on an examination of all the circumstances. However, there remains significant uncertainty with respect to the tax treatment of cryptocurrency staking, including the potential application of the SIFT Rules in this context.

The Manager intends to take the position that the Evolve Fund (and any person or partnership that does not deal at arm’s length with the Evolve Fund for purposes of the Tax Act) will not use the Evolve Fund’s Solana or any other property of the Evolve Fund in the course of carrying on a business in Canada and accordingly will not be a SIFT trust. However, no advance income tax ruling has been sought or obtained from the CRA in respect of the status of the Evolve Fund under the SIFT Rules or otherwise, and therefore the CRA could seek to assess or reassess the Evolve Fund and Unitholders on the basis that the Evolve Fund is a SIFT trust.

If the Evolve Fund is subject to tax under the SIFT Rules, the after-tax return to its Unitholders could be reduced, particularly for a Unitholder who is exempt from tax under the Tax Act or is a non-resident of Canada.

As part of the 2024 Federal Budget, the Department of Finance (Canada) announced that it would be engaging in a consultation on the qualified investment rules in the Tax Act, including with respect to whether crypto-backed assets are appropriate as qualified investments for Plans. Submissions for this consultation were open until July 15, 2024. It is the Manager’s understanding that several industry associations provided submissions in support of the continued appropriateness of crypto-backed assets (such as units of the Evolve Fund) as qualified investments for Plans; however, there can be no assurance that the Department of Finance (Canada) will agree with such submissions. Where a Plan acquires or holds a security that is not a qualified investment under the Tax Act for the Plan, adverse tax consequences may arise for the Plan and the annuitant, beneficiary, subscriber or holder thereof.

Limited Operating History and Absence of an Active Market

The Evolve Fund is a newly organized investment trust with no operating history. Although the Evolve Fund may be listed on the Designated Exchange, there is no assurance that an active public market for the Units will develop or be sustained.

Cease Trading of Units

If issuers in the portfolio of the Evolve Fund are cease traded at any time by a Securities Regulatory Authority or other relevant regulator or stock exchange, the Manager may suspend the exchange or redemption of Units until such time as the transfer of the securities is permitted as described under “Purchases of Units – Suspension of Exchanges and Redemptions”. As a result, when the Evolve Fund holds securities traded on an exchange or other organized market, the Evolve Fund bears the risk of cease trading orders against any securities held in its portfolio.

Cyber Security Risk

Cyber security risk is the risk of harm, loss and liability resulting from a failure or breach of information technology systems. Failures or breaches of the information technology systems (“**Cyber Security Incidents**”) can result from deliberate attacks or unintentional events and may arise from external or internal sources. Deliberate cyber attacks include, but are not limited to, gaining unauthorized access to digital systems (e.g., through “hacking” or malicious software coding) for purposes of misappropriating assets or sensitive information, corrupting data, equipment or systems, or causing operational disruption. Deliberate cyber attacks may also be carried out in a manner that does not require gaining unauthorized access, such as causing denial-of-service attacks on websites (i.e., efforts to make network services unavailable to intended users).

The primary risks to the Evolve Fund from the occurrence of a Cyber Security Incident include disruption in operations, reputational damage, disclosure of confidential information, the incurrence of regulatory penalties, additional compliance costs associated with corrective measures and/or financial loss. Cyber Security Incidents of the Evolve Fund's third party service providers (e.g. administrators, transfer agents, custodians and sub-custodians) or issuers that the Fund invests in can also subject the Evolve Fund to many of the same risks associated with direct Cyber Security Incidents. The Evolve Fund and its Unitholders could be negatively impacted as a result.

Service Providers are Not Fiduciaries

The service providers, including custodians and sub-custodians, that the Evolve Fund employs or may employ in the future are not trustees for, and owe no fiduciary duties to, the Evolve Fund or the Unitholders. In addition, service providers employed by the Evolve Fund have no duty to continue to act as a service provider to the Evolve Fund. Current or future service providers, including the custodians, can terminate their role for any reason whatsoever upon the notice period provided under the relevant agreement. A service provider may also be terminated by the Manager.

Lack of Arbitrage Transactions

If the processes of creation and redemption of Units of the Evolve Fund encounters any unanticipated difficulties, potential market participants, such as broker-dealers and their customers, who would otherwise be willing to purchase or redeem Units of the Evolve Fund to take advantage of any arbitrage opportunity arising from discrepancies between the price of the Units of the Evolve Fund and the price of the underlying Solana may not take the risk that, as a result of those difficulties, they may not be able to realize the profit they expect. If this is the case, the liquidity of the Units of the Evolve Fund may decline and the trading price of the Evolve Fund may fluctuate independently of the price of Solana and may fall or otherwise diverge from the NAV of the Units.

Operational Risk

The Evolve Fund will depend on the Manager to develop the appropriate systems and procedures to control operational risk. Operational risks arising from mistakes made in the confirmation or settlement of transactions, from transactions not being properly booked, evaluated, or accounted for, or other similar disruption in the Evolve Fund's operations may cause the Evolve Fund to suffer financial loss, the disruption of their business, liability to investors or third parties, regulatory intervention, or reputational damage. The Evolve Fund will rely heavily on the Manager and other service providers' financial, accounting, IT infrastructure systems and services and other data processing systems and a failure by any one or more of them could result in losses to the Evolve Fund.

Systems Risks

The Evolve Fund will depend on the Manager to develop and implement appropriate systems for the Evolve Fund's activities. The Evolve Fund will rely extensively on computer programs and systems to monitor its portfolio and net capital and to generate reports that are critical to the oversight of the Evolve Fund's activities. In addition, certain of the operations of the Manager interface with or depend on systems operated by third parties, including market counterparties and other service providers, and the Evolve Fund or the Manager may not be in a position to verify the risks or reliability of such third-party systems. These programs or systems may be subject to certain defects, failures, or interruptions, including, but not limited to, those caused by worms, viruses, and power failures. Any such defect or failure could have a material adverse effect on the Evolve Fund.

Multi-Class Risk

The Evolve Fund offers more than one class of Units. If the Evolve Fund cannot pay the expenses or satisfy the obligations entered into by the Evolve Fund for the sole benefit of one of those classes of Units using such class of Evolve Fund's proportionate share of the assets, the Evolve Fund may have to pay those expenses or satisfy those obligations out of another series of Units' proportionate share of the assets, which would lower the investment return of such other class of Units. In addition, a creditor of the Evolve Fund may seek to satisfy its claim from the assets of the Evolve Fund as a whole, even though its claim or claims relate only to a particular class of Units.

Risk Rating of the Evolve Fund

The investment risk level of the Evolve Fund is required to be determined in accordance with a standardized risk classification methodology that is based on the historical volatility of the Evolve Fund, as measured by the 10-year standard deviation of the returns of the Evolve Fund. As the Evolve Fund is new, the Manager calculates the investment risk level of the Evolve Fund using a reference index that is expected to reasonably approximate the standard deviation of the Evolve Fund. Once the Evolve Fund has 10 years of performance history, the methodology will calculate the standard deviation of the Evolve Fund using the return history of the Evolve Fund rather than that of the reference index. The Evolve Fund is assigned an investment risk rating in one of the following categories: low, low to medium, medium, medium to high or high risk.

The reference index used for the Evolve Fund is CME CF Solana-Dollar Reference Rate.

The Manager has assigned the Evolve Fund a risk rating of High. The risk rating does not necessarily correspond to an investor's risk tolerance assessment. Investors are advised to consult their financial advisor for advice regarding their personal circumstances

Unitholders should know that other types of risks, both measurable and non-measurable, exist. Also, just as historical performance may not be indicative of future returns, historical volatility may not be indicative of future volatility. The risk rating of the Evolve Fund is reviewed annually and any time it is no longer reasonable in the circumstances. A more detailed explanation of the risk classification methodology used to identify the risk rating of the Evolve Fund is available on request, at no cost, by calling toll-free 1-844-370-4884 or by writing to Evolve Funds Group Inc., TD Canada Trust Tower, 161 Bay Street, Suite 1210, Toronto, ON M5J 2S1.

DISTRIBUTION POLICY

It is not anticipated that the Evolve Fund will make regular cash distributions.

The amount of distributions, if any, will be based on the Manager's assessment of anticipated cash flow and anticipated expenses of the Evolve Fund from time to time. The date of any cash distribution of the Evolve Fund will be announced in advance by issuance of a press release. The Manager may, in its complete discretion, change the frequency of these distributions and any such change will be announced by issuance of a press release.

If, for any taxation year, after the ordinary distributions, if any, there remains in the Evolve Fund additional net income or net realized capital gains, the Evolve Fund will, after December 15 but on or before December 31 of that calendar year, be required to pay or make payable such net income and net realized capital gains as one or more special year-end distributions to Unitholders as is necessary to ensure that the Evolve Fund will not be liable for income tax on such amounts under Part I of the Tax Act (after taking into account all available deductions, credits and refunds). Such special distributions may be paid in the form of Units of the applicable class and/or cash. Any special distributions payable in Units will increase the aggregate adjusted cost base of a Unitholder's Units of the applicable class. Immediately following payment of such a special distribution in Units, the number of Units of the applicable class held by a Unitholder will be automatically consolidated such that the number of Units of such class held by the Unitholder after such distribution will be equal to the number of Units of such class held by such Unitholder immediately prior to such distribution, except in the case of a non-resident Unitholder to the extent tax is required to be withheld in respect of the distribution.

The tax treatment to Unitholders of distributions is discussed under the heading "Income Tax Considerations".

PURCHASES OF UNITS

Initial Investment in the Evolve Fund

The Evolve Fund will not issue Units to the public until subscriptions aggregating not less than \$500,000 have been received and accepted by the Evolve Fund from investors other than persons or companies related to the Manager or its affiliates.

Designated Broker

This prospectus qualifies the distribution of an unlimited number of USD Units and CAD Units of the Evolve Fund.

All orders to purchase Units directly from the Evolve Fund must be placed by the Designated Broker or Dealers. The Evolve Fund reserves the absolute right to reject any subscription order placed by the Designated Broker and/or a Dealer. No fees will be payable by the Evolve Fund to the Designated Broker or a Dealer in connection with the issuance of Units. On the issuance of Units, the Manager may, at its discretion, charge an administrative fee to a Dealer or the Designated Broker to offset any expenses (including any applicable additional listing fees) incurred in issuing the Units.

On any Trading Day, the Designated Broker or a Dealer may place a subscription order for one PNU or integral multiple PNU of the Evolve Fund. If a subscription order is received by the Evolve Fund at or before the applicable cut-off time, or such other time prior to the Valuation Time on such Trading Day as the Manager may permit, and is accepted by the Manager, the Evolve Fund will generally issue to the Dealer or Designated Broker the PNU (or an integral multiple thereof) within two Trading Days from the effective date of the subscription order. The Evolve Fund must receive payment for the Units subscribed for within two Trading Days from the effective date of the subscription order. The effective date of a subscription order is the Trading Day on which the Valuation Time that applies to such subscription order takes place.

As payment for a PNU of the Evolve Fund, a Dealer or the Designated Broker must deliver cash in an amount sufficient so that the value of the cash delivered is equal to the NAV of the applicable PNU of the Evolve Fund determined at the Valuation Time on the effective date of the subscription order, plus associated costs and expenses that the Evolve Fund incurs or expects to incur in acquiring Solana with such cash proceeds. See “Fees and Expenses – Administrative Fees”.

The Manager may from time to time and, in any event not more than once quarterly, require the Designated Broker to subscribe for Units for cash in a dollar amount not to exceed 0.30% of the NAV of the Evolve Fund, or such other amount as may be agreed to by the Manager and the Designated Broker. The number of Units issued will be the subscription amount divided by the NAV per Unit next determined following the delivery by the Manager of a subscription notice to the Designated Broker. Payment for the Units must be made by the Designated Broker by no later than the second Trading Day after the subscription notice has been delivered.

The Manager will, except when circumstances prevent it from doing so, disclose the number of Units comprising a PNU for the Evolve Fund to applicable investors, the Designated Broker and Dealers following the close of business on each Trading Day. The Manager may, at its discretion, increase or decrease the PNU from time to time.

To Unitholders of the Evolve Fund as Distributions Paid in Units

In addition to the issuance of Units as described above, distributions may be made by way of the issuance of Units. See “Distribution Policy”.

Buying and Selling Units of the Evolve Fund

The Units of the Evolve Fund have been conditionally approved for listing on the Designated Exchange. Listing is subject to the approval of the Designated Exchange in accordance with its original listing requirements. Subject to satisfying the Designated Exchange’s original listing requirements, the Units will be listed on the Designated Exchange and investors will be able to buy or sell such Units on the Designated Exchange through registered brokers and dealers in the province or territory where the investor resides.

Investors may incur customary brokerage commissions in buying or selling Units. No fees are paid by investors to the Manager or the Evolve Fund in connection with buying or selling of Units on the Designated Exchange.

Special Considerations for Unitholders

The provisions of the so-called “early warning” requirements set out in Canadian Securities Legislation do not apply in connection with the acquisition of Units. In addition, the Evolve Fund has obtained exemptive relief from the Securities Regulatory Authorities to permit Unitholders to acquire more than 20% of the Units through purchases on the Designated Exchange without regard to the take-over bid requirements of Canadian Securities Legislation, provided that any such Unitholder, and any person acting jointly or in concert with the Unitholder, undertakes to the Manager not to vote more than 20% of the Units at any meeting of Unitholders.

The Evolve Fund is considered an alternative mutual fund within the meaning of NI 81-102 and is permitted to invest in asset classes or use investment strategies that are not permitted for other types of mutual funds. As an alternative mutual fund, under NI 81-102, the Evolve Fund is permitted to use strategies generally prohibited by conventional mutual funds, including the ability to borrow cash to use for investment purposes and increased ability to invest in commodities. While these specific strategies will be used in accordance with the fund's investment objectives and strategies, during certain market conditions they may accelerate the pace at which your investment decreases in value.

The Evolve Fund will invest in Solana. Given the speculative nature of Solana and the volatility of the Solana market, there is considerable risk that the Evolve Fund will not be able to meet its investment objectives. An investment in the Evolve Fund is not intended as a complete investment program and is appropriate only for investors who have a sophisticated knowledge and understanding of Solana and the capacity to absorb a loss of some or all of their investment.

Special Circumstances

Units may also be issued by the Evolve Fund to the Designated Broker in a number of special circumstances, including the following: (i) when the Manager has determined that the Evolve Fund should acquire additional Solana; and (ii) when cash redemptions of Units occur as described below under “Exchange and Redemption of Units – Redemption of Units of the Evolve Fund for Cash”, or the Evolve Fund otherwise has cash that the Manager wants to invest.

EXCHANGE AND REDEMPTION OF UNITS

Exchange of Units of the Evolve Fund at Net Asset Value per Unit for Cash (applicable to Designated Broker and Dealers)

Unitholders may exchange the PNU (or an integral multiple thereof) of the Evolve Fund on any Trading Day for cash, subject to the requirement that a minimum PNU be exchanged. To effect an exchange of Units, a Unitholder must submit an exchange request in the form and at the location prescribed by the Evolve Fund from time to time at or before the applicable cut-off time on a Trading Day, or such other time prior to the Valuation Time on such Trading Day as the Manager may permit. The exchange price will be equal to the NAV of each PNU tendered for exchange determined at the Valuation Time on the effective date of the exchange request, payable by delivery of cash. The Units will be redeemed in the exchange. The Manager will also make available to Dealers and the Designated Broker the PNU to redeem Units on each Trading Day. The effective date of an exchange request is the Trading Day on which the Valuation Time that applies to such redemption request takes place.

Upon the request of a Unitholder, the Manager will endeavour to satisfy an exchange request by delivering cash only in an amount equal to the NAV of each PNU tendered for exchange determined at the Valuation Time on the effective date of the exchange request, provided that the Unitholder agrees to pay the costs and expenses that the Evolve Fund incurs or expects to incur in selling Solana in order to obtain the necessary cash for the exchange. See “Fees and Expenses – Administrative Fees”.

If an exchange request is not received by the applicable cut-off time, the exchange order will be effective only on the next Trading Day. Settlement of exchanges for cash will generally be made by the second Trading Day after the effective day of the exchange request.

As described under “Book-Entry Only System”, registration of interests in, and transfers of, Units will be made only through the book-entry only system of CDS. The redemption rights described below must be exercised through the CDS Participant through which the owner holds Units. Beneficial owners of Units should ensure that they provide redemption instructions to the CDS Participant through which they hold such Units sufficiently in advance of the cut-

off times described below to allow such CDS Participant to notify CDS and for CDS to notify the Manager prior to the relevant cut-off time.

Redemption of Units of the Evolve Fund for Cash

On any Trading Day, Unitholders may redeem (i) Units for cash at a redemption price per Unit equal to 95% of the closing price of the Units on the Designated Exchange on the effective day of the redemption, subject to a maximum redemption price per Unit equal to the NAV per Unit on the effective day of redemption, less any applicable administrative fee determined by the Manager, in its sole discretion, from time to time, or (ii) a PNU of the Evolve Fund (or an integral multiple thereof) for cash equal to the NAV of that number of Units, less any applicable administrative fee determined by the Manager, in its sole discretion, from time to time. Because Unitholders will generally be able to sell Units at the market price on the Designated Exchange through a registered broker or dealer subject only to customary brokerage commissions, Unitholders are advised to consult their brokers, dealers or investment advisors before redeeming such Units for cash. No fees or expenses are paid by Unitholders to the Manager or the Evolve Fund in connection with selling Units on the Designated Exchange.

In order for a cash redemption to be effective on a Trading Day, a cash redemption request must be delivered to the Manager in the form and at the location prescribed by the Manager from time to time at or before the applicable cut-off time on such Trading Day. Any cash redemption request received after such time will be effective only on the next Trading Day. Where possible, payment of the redemption price will be made by no later than the second Trading Day after the effective day of the redemption. The cash redemption request forms may be obtained from any registered broker or Dealer.

In connection with the redemption of Units, the Evolve Fund will generally dispose of Solana or other financial instruments.

Suspension of Exchanges and Redemptions

The Manager may suspend the exchange or redemption of Units or payment of redemption proceeds of the Evolve Fund with the prior permission of the Securities Regulatory Authorities where required, for any period during which the Manager determines that conditions exist which render impractical the sale of assets of the Evolve Fund or which impair the ability of the Custodian to determine the value of the assets of the Evolve Fund. The suspension may apply to all requests for exchange or redemption received prior to the suspension but as to which payment has not been made, as well as to all requests received while the suspension is in effect. All Unitholders making such requests shall be advised by the Manager of the suspension and that the exchange or redemption will be effected at a price determined on the first Valuation Date following the termination of the suspension. All such Unitholders shall have and shall be advised that they have the right to withdraw their requests for exchange or redemption. The suspension shall terminate in any event on the first day on which the condition giving rise to the suspension has ceased to exist, provided that no other condition under which a suspension is authorized then exists. To the extent not inconsistent with official rules and regulations promulgated by any government body having jurisdiction over the Evolve Fund, any declaration of suspension made by the Manager shall be conclusive.

Administrative Fee

An amount as may be agreed to between the Manager and the Designated Broker or a Dealer of Units may be charged to offset certain transaction costs associated with an issue, exchange or redemption of Units. This charge does not apply to Unitholders who buy and sell their Units through the facilities of the Designated Exchange.

Allocations of Capital Gains to Redeeming or Exchanging Unitholders

Pursuant to the Declaration of Trust, the Evolve Fund may allocate and designate as payable any capital gains realized by the Evolve Fund as a result of any disposition of property of the Evolve Fund undertaken to permit or facilitate the redemption or exchange of Units to a Unitholder whose Units are being redeemed or exchanged. In addition, the Evolve Fund has the authority to distribute, allocate and designate any capital gains of the Evolve Fund to a Unitholder who has redeemed or exchanged Units during a year in an amount equal to the Unitholder's share, at the time of redemption or exchange, of the Evolve Fund's capital gains for the year. Any such allocations and designations will reduce the redemption price otherwise payable to the redeeming or exchanging Unitholder.

Under certain rules in the Tax Act (the “**ATR Rules**”), amounts of taxable capital gains allocated and designated to redeeming or exchanging Unitholders are only deductible to the Evolve Fund to the extent of the redeeming or exchanging Unitholders’ pro rata share (as determined under the ATR Rules) of the net taxable capital gains of the Evolve Fund for the year.

Any taxable capital gains that are not deductible by the Evolve Fund under the ATR Rules may be made payable to non-redeeming or exchanging Unitholders so that the Evolve Fund will not be liable for non-refundable income tax thereon. Accordingly, the amounts and taxable component of distributions to non-redeeming or exchanging Unitholders of the Evolve Fund may be greater than would have been the case in the absence of the ATR Rules.

Book-Entry Only System

Registration of interests in, and transfers of, Units will be made only through the book-entry only system of CDS. Units must be purchased, transferred and surrendered for redemption only through a CDS Participant. All rights of an owner of Units must be exercised through, and all payments or other property to which such owner is entitled will be made or delivered by, CDS or the CDS Participant through which the owner holds such Units. Upon buying Units, the owner will receive only the customary confirmation. References in this prospectus to a holder of Units means, unless the context otherwise requires, the owner of the beneficial interest of such Units.

Neither the Evolve Fund nor the Manager will have any liability for: (i) records maintained by CDS relating to the beneficial interests in Units or the book entry accounts maintained by CDS; (ii) maintaining, supervising or reviewing any records relating to such beneficial ownership interests; or (iii) any advice or representation made or given by CDS and made or given with respect to the rules and regulations of CDS or any action taken by CDS or at the direction of the CDS Participants.

The ability of a beneficial owner of Units to pledge such Units or otherwise take action with respect to such owner’s interest in such Units (other than through a CDS Participant) may be limited due to the lack of a physical certificate.

The Evolve Fund has the option to terminate registration of Units through the book-entry only system in which case certificates for Units in fully registered form will be issued to beneficial owners of such Units or to their nominees.

Short-Term Trading

Unlike conventional open-end mutual fund trusts in which short-term trading by investors may cause the mutual fund to incur additional unnecessary trading costs in connection with the purchase of additional portfolio securities and the sale of portfolio securities to fund unitholder redemptions, the Manager does not believe that it is necessary to impose any short-term trading restrictions on the Evolve Fund at this time as: (i) the Evolve Fund is an exchange traded fund that is primarily traded in the secondary market; and (ii) the few transactions involving Units that do not occur on the secondary market involve the Designated Broker and/or Dealers, who can only purchase or redeem Units in a PNU and on whom the Manager may impose an administrative fee. The administrative fee is intended to compensate the Evolve Fund for any costs and expenses incurred by the Evolve Fund in order to fund the redemption.

PRIOR SALES

The Trading price and volume information is not yet available because the Evolve Fund is new.

INCOME TAX CONSIDERATIONS

The following is, as of the date hereof, a summary of the principal Canadian federal income tax considerations under the Tax Act generally applicable to the acquisition, holding and disposition of Units by a Unitholder who acquires Units pursuant to this prospectus. This summary only applies to a prospective Unitholder who is an individual (other than a trust) resident in Canada for purposes of the Tax Act who deals at arm’s length with the Evolve Fund, the Designated Broker and the Dealers and is not affiliated with the Evolve Fund, the Designated Broker or any Dealer and who holds Units of the Evolve Fund as capital property (a “**Holder**”).

Generally, Units will be considered to be capital property to a Holder provided that the Holder does not hold such Units in the course of carrying on a business of buying and selling securities and has not acquired them in one or more

transactions considered to be an adventure or concern in the nature of trade. Provided that the Evolve Fund qualifies as a “mutual fund trust” for purposes of the Tax Act, certain Holders who might not otherwise be considered to hold Units of the Evolve Fund as capital property may, in certain circumstances, be entitled to have such Units and all other “Canadian securities” owned or subsequently acquired by them treated as capital property by making the irrevocable election permitted by subsection 39(4) of the Tax Act. This summary does not apply to a Holder who has entered or will enter into a “derivative forward agreement” as that term is defined in the Tax Act with respect to the Units.

This summary also assumes that the Evolve Fund (i) will comply with its investment restrictions, and (ii) will not at any time be subject to the tax for “covered entities” as defined in subsection 183.3 of the Tax Act.

This summary is also based on the assumption that the Evolve Fund will not be a “SIFT trust” for purposes of the Tax Act. The Evolve Fund would be a “SIFT trust” if it holds any “non-portfolio property”, which would include property that the Evolve Fund (or a person or partnership that does not deal at arm’s length with the Evolve Fund for purposes of the Tax Act) uses in the course of carrying on a business in Canada.

The CRA has indicated that the characterization of staking rewards as income from property or a business depends on the “level of activity” of the taxpayer in earning that income, and that this determination should be based on an examination of all the circumstances. However, there remains significant uncertainty with respect to the tax treatment of cryptocurrency staking, including the potential application of the SIFT Rules in this context.

The Manager intends to take the position that the Evolve Fund (and any person or partnership that does not deal at arm’s length with the Evolve Fund for purposes of the Tax Act) will not use the Evolve Fund’s Solana or any other property of the Evolve Fund in the course of carrying on a business in Canada and accordingly will not be a SIFT trust. However, no advance income tax ruling has been sought or obtained from the CRA in respect of the status of the Evolve Fund under the SIFT Rules or otherwise, and therefore the CRA could seek to assess or reassess the Evolve Fund and Unitholders on the basis that the Evolve Fund is a SIFT trust. See “Risk Factors Relating to an Investment in the Evolve Fund – Taxation of the Evolve Fund – SIFT Rules” for a description of the tax consequences to the Evolve Fund and its Unitholders if the Evolve Fund is a SIFT trust. The remainder of this summary assumes that the Evolve Fund will not be a SIFT trust at any time, although there can be no assurances in this regard.

This summary is based on the facts described herein, the current provisions of the Tax Act, and an understanding of the current publicly available administrative policies and assessing practices of the CRA published in writing prior to the date hereof. This summary takes into account the Tax Amendments. This description is not exhaustive of all Canadian federal income tax consequences and does not take into account or anticipate changes in the law or in administrative policy or assessing practice, whether by legislative, governmental or judicial action other than the Tax Amendments in their present form, nor does it take into account provincial, territorial or foreign tax considerations which may differ significantly from those discussed herein. There can be no assurance that the Tax Amendments will be enacted in the form publicly announced, or at all.

This summary is not exhaustive of all possible Canadian federal income tax considerations applicable to an investment in Units. This summary does not address the deductibility of interest on any funds borrowed by a Holder to purchase Units. The income and other tax consequences of investing in Units will vary depending on an investor’s particular circumstances including the province or territory in which the investor resides or carries on business. Accordingly, this summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any holder of Units. Prospective investors should consult their own tax advisors with respect to the income tax consequences to them of an acquisition of Units based on their particular circumstances.

Holders are required to compute their income and gains for tax purposes in Canadian dollars. Amounts denominated in another currency generally must be converted into Canadian dollars based on the exchange rate quoted by the Bank of Canada on the date such amounts arise or such other rate of exchange as is acceptable to the CRA. Therefore, the amount of income, cost, proceeds of disposition and other amounts in respect of USD Units will be affected by fluctuations in the exchange rate of the Canadian dollar against the U.S dollar.

Status of the Evolve Fund

This summary assumes that the Evolve Fund will qualify or be deemed to qualify at all times as a “mutual fund trust” within the meaning of the Tax Act.

To qualify as a mutual fund trust (i) the Evolve Fund must be a Canadian resident “unit trust” for purposes of the Tax Act, (ii) the only undertaking of the Evolve Fund must be (a) the investing of its funds in property (other than real

property or interests in real property or an immovable or a real right in an immovable), (b) the acquiring, holding, maintaining, improving, leasing or managing of any real property (or interest in real property) or of any immovable (or real right in immovables) that is capital property of the Evolve Fund, or (c) any combination of the activities described in (a) and (b), and (iii) the Evolve Fund must comply with certain minimum requirements respecting the ownership and dispersal of a particular class of Units (the “**Minimum Distribution Requirements**”). In addition, in order to qualify as a mutual fund trust, the Evolve Fund cannot at any time reasonably be considered to have been established and/or maintained primarily for the benefit of non-residents unless, at that time, substantially all of its property consists of property other than property that would be “taxable Canadian property” within the meaning of the Tax Act (if the definition of such term were read without reference to paragraph (b) of that definition).

In this connection, (i) the Manager intends to cause the Evolve Fund to qualify as a unit trust throughout the life of the Evolve Fund, (ii) the Evolve Fund’s undertaking conforms with the restrictions for mutual fund trusts, and (iii) the Manager intends to file the necessary election so that the Evolve Fund will qualify as a mutual fund trust from its inception and has no reason to believe that the Evolve Fund will not comply with the Minimum Distribution Requirements before the 91st day after the end of the Evolve Fund’s first taxation year (determined without regard to any taxation year-end that may be deemed to occur for other purposes under the rules in the Tax Act relating to “loss restriction events”) and at all times thereafter, thereby permitting the filing by the Evolve Fund of such election.

If the Evolve Fund were not to qualify or be deemed to qualify as a mutual fund trust at all times, the income tax considerations described below would, in some respects, be materially and adversely different than would be the case if it were a mutual fund trust.

Provided that the Evolve Fund qualifies as a “mutual fund trust” within the meaning of the Tax Act, or Units are listed on a “designated stock exchange” within the meaning of the Tax Act (which currently includes the Designated Exchange), the Units of the Evolve Fund will be qualified investments under the Tax Act for a trust governed by a Plan. See “Income Tax Considerations – Taxation of Registered Plans” for the consequences of holding Units in Plans.

Taxation of the Evolve Fund

The Evolve Fund intends to elect to have a taxation year that ends on December 15 of each calendar year. The Evolve Fund must pay tax on its net income (including net realized taxable capital gains) for a taxation year, less the portion thereof that it deducts in respect of the amount paid or payable to its Unitholders in the calendar year in which the taxation year ends. An amount will be considered to be payable to a Unitholder in a calendar year if it is paid to the Unitholder in that year by the Evolve Fund or if the Unitholder is entitled in that year to enforce payment of the amount. The Declaration of Trust requires that sufficient amounts be paid or made payable each year so that the Evolve Fund is not liable for any non-refundable income tax under Part I of the Tax Act.

The CRA has stated that gains (or losses) of a taxpayer resulting from transactions in cryptocurrency (which the Manager expects includes Solana for these purposes) should generally be treated for tax purposes as capital gains (or capital losses), unless the gains (or losses) result from carrying on a business or an adventure or concern in the nature of trade. However, the CRA has also stated that it generally treats cryptocurrency like a commodity for purposes of the Tax Act and that gains (or losses) of mutual fund trusts resulting from transactions in commodities should generally be treated for income tax purposes as ordinary income rather than as capital gains, although the treatment in each particular case remains a question of fact to be determined having regard to all the circumstances. As the Evolve Fund intends to be a long-term holder of Solana, the Manager anticipates that the Evolve Fund will generally treat gains (or losses) as a result of any disposition of Solana as capital gains (or capital losses) although, depending on the circumstances, the Evolve Fund may instead include the full amount in (or deduct the full amount from) income.

Returns earned by the Evolve Fund on its staked Solana will generally be included in the Evolve Fund’s income for the year when they are credited to the Evolve Fund.

The Evolve Fund will be entitled for each taxation year throughout which it is a mutual fund trust for purposes of the Tax Act to reduce (or receive a refund in respect of) its liability, if any, for tax on its net realized capital gains by an amount determined under the Tax Act based on the redemptions of Units during the year (the “**Capital Gains Refund**”). The Capital Gains Refund in a particular taxation year may not completely offset the tax liability of the Evolve Fund for such taxation year which may arise upon the sale or other disposition of securities included in the portfolio in connection with the redemption of Units.

A loss realized by the Evolve Fund on a disposition of capital property will be a suspended loss for purposes of the Tax Act if the Evolve Fund, or a person affiliated with the Evolve Fund, acquires a property (a “**Substituted Property**”)

that is the same as or identical to the property disposed of, within 30 days before and 30 days after the disposition and the Evolve Fund, or a person affiliated with the Evolve Fund, owns the Substituted Property 30 days after the original disposition. If a loss is suspended, the Evolve Fund cannot deduct the loss from the Evolve Fund's capital gains until the Substituted Property is disposed of and is not reacquired by the Evolve Fund, or a person affiliated with the Evolve Fund, within 30 days before and after the disposition.

The Evolve Fund may enter into transactions denominated in currencies other than the Canadian dollar, including the acquisition of Solana in its portfolio. The cost and proceeds of disposition of Solana and all other amounts will be determined for the purposes of the Tax Act in Canadian dollars using the appropriate exchange rates determined in accordance with the detailed rules in the Tax Act in that regard. The amount of income, gains and losses realized by the Evolve Fund may be affected by fluctuations in the value of other currencies relative to the Canadian dollar.

Under the current provisions of the Tax Act, a taxpayer is entitled to deduct in computing its income reasonable administrative and other expenses (other than certain expenses on account of capital) incurred by it for the purposes of earning income (other than taxable capital gains), if any. As the Manager expects the income of the Evolve Fund to be limited to taxable capital gains and income generated through the Evolve Fund's Staking Arrangements, it is expected that, aside from the Staking Service Fee and any other expenses incurred in connection with its Staking Arrangements, the Evolve Fund will generally not be entitled to deduct expenses (including administrative expenses of the Evolve Fund).

Losses incurred by the Evolve Fund in a taxation year cannot be allocated to Holders, but may be deducted by the Evolve Fund in future years in accordance with the Tax Act.

Taxation of Holders

A Holder will generally be required to include in computing income for a particular taxation year of the Holder such portion of the net income of the Evolve Fund, including the taxable portion of any net realized capital gains, as is paid or becomes payable to the Holder in that particular taxation year (whether in cash, in Units or as a Management Fee Distribution). Provided that the Evolve Fund elects to have a taxation year that ends on December 15 of each calendar year, amounts paid or payable by the Evolve Fund to a Holder after December 15 and before the end of the calendar year are deemed to have been paid or become payable to the Holder on December 15.

Under the Tax Act, the Evolve Fund is permitted to deduct in computing its income for a taxation year an amount that is less than the amount of its distributions of income for the calendar year to the extent necessary to enable the Evolve Fund to use, in that taxation year, losses from prior years without affecting the ability of the Evolve Fund to distribute its income annually. In such circumstances, the amount distributed to a Holder but not deducted by the Evolve Fund will not be included in the Holder's income. However, the adjusted cost base of the Holder's Units of the Evolve Fund will be reduced by such amount. The non-taxable portion of the Evolve Fund's net realized capital gains for a taxation year, the taxable portion of which was designated in respect of a Holder for the taxation year, that is paid or becomes payable to the Holder for the year will not be included in computing the Holder's income for the year. Any other amount in excess of a Holder's share of the net income of the Evolve Fund for a taxation year that is paid or becomes payable to the Holder for the year (i.e. returns of capital) will not generally be included in the Holder's income for the year, but will reduce the adjusted cost base of the Holder's Units of the Evolve Fund. To the extent that the adjusted cost base of a Unit to a Holder would otherwise be a negative amount, the negative amount will be deemed to be a capital gain and the adjusted cost base of the Unit to the Holder will be increased by the amount of such deemed capital gain to zero.

Provided that appropriate designations are made by the Evolve Fund, such portion of the net realized taxable capital gains of the Evolve Fund as is paid or becomes payable to a Holder will effectively retain its character and be treated as such in the hands of the Holder for purposes of the Tax Act.

Any loss of the Evolve Fund for purposes of the Tax Act cannot be allocated to, and cannot be treated as a loss of, a Holder.

On the disposition or deemed disposition of a Unit of the Evolve Fund, including on a redemption, a Holder will realize a capital gain (or capital loss) to the extent that the Holder's proceeds of disposition (other than any amount payable by the Evolve Fund which represents capital gains allocated and designated to the redeeming Holder), net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base of the Unit. For the purpose of determining the adjusted cost base of a Holder's Units of a particular class of the Evolve Fund, when additional Units of that class of the Evolve Fund are acquired by the Holder (as a result of a distribution by the Evolve Fund in the

form of Units or otherwise), the cost of the newly acquired Units of that class of the Evolve Fund will be averaged with the adjusted cost base of all Units of the same class of the Evolve Fund owned by the Holder as capital property immediately before that time. For this purpose, the cost of Units that have been issued on a distribution will generally be equal to the amount of the distribution. A consolidation of Units of the Evolve Fund following a distribution paid in the form of additional Units of the Evolve Fund as described under “Distribution Policy” will not be regarded as a disposition of Units of the Evolve Fund and will not affect the aggregate adjusted cost base to a Holder.

Pursuant to the Declaration of Trust, the Evolve Fund may allocate and designate as payable any capital gains realized by the Evolve Fund as a result of any disposition of property of the Evolve Fund undertaken to permit or facilitate the redemption or exchange of Units of the Evolve Fund to a Holder whose Units are being redeemed or exchanged. In addition, the Evolve Fund has the authority to distribute, allocate and designate any capital gains of the Evolve Fund to a Holder who has redeemed or exchanged Units of the Evolve Fund during a year in an amount equal to the Holder’s share, at the time of redemption or exchange, of the Evolve Fund’s capital gains for the year. Any such allocations and designations will reduce the redemption price otherwise payable to the Holder and therefore the Holder’s proceeds of disposition. Based on the ATR Rules, amounts of taxable capital gains allocated and designated to redeeming or exchanging Unitholders are only deductible to the Evolve Fund to the extent of the redeeming or exchanging Unitholders’ pro rata share (as determined under the ATR Rules) of the net taxable capital gains of the Evolve Fund for the year.

In general, one-half of any capital gain (a “**taxable capital gain**”) realized by a Holder on the disposition of Units of the Evolve Fund or a taxable capital gain designated by the Evolve Fund in respect of the Holder for a taxation year of the Holder will be included in computing the Holder’s income for that year and one-half of any capital loss (an “**allowable capital loss**”) realized by the Holder in a taxation year of the Holder generally must be deducted from taxable capital gains realized by the Holder in the taxation year or designated by the Evolve Fund in respect of the Holder for the taxation year in accordance with the detailed provisions of the Tax Act. Allowable capital losses for a taxation year in excess of taxable capital gains for that taxation year may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year against taxable capital gains in accordance with the provisions of the Tax Act.

Amounts designated by the Evolve Fund to a Holder as taxable capital gains, and taxable capital gains realized on the disposition of Units of the Evolve Fund, may increase the Holder’s liability, if any, for alternative minimum tax.

Taxation of Registered Plans

Distributions received by Plans on Units and capital gains realized by Plans on the disposition of Units are generally not taxable under Part I of the Tax Act provided the Units are “qualified investments” for the Plan for purposes of the Tax Act.

Holders should consult with their own advisors regarding the tax implications of establishing, amending, terminating or withdrawing amounts from a Plan.

Notwithstanding the foregoing, the holder of a TFSA, FHSA or RDSP, the annuitant of an RRSP or RRIF or the subscriber of an RESP will be subject to a penalty tax in respect of Units held by such Plan if such Units are a “prohibited investment” for such Plan for the purposes of the Tax Act. The Units of the Evolve Fund will not be a “prohibited investment” for a trust governed by such a Plan unless the holder of the TFSA, FHSA or RDSP, the annuitant of the RRSP or RRIF or the subscriber of the RESP, as applicable, (i) does not deal at arm’s length with the Evolve Fund for purposes of the Tax Act, or (ii) has a “significant interest” as defined in the Tax Act in the Evolve Fund. Generally, a holder, annuitant or subscriber, as the case may be, will not have a significant interest in the Evolve Fund unless the holder, annuitant or subscriber, as the case may be, owns interests as a beneficiary under the Evolve Fund that have a fair market value of 10% or more of the fair market value of the interests of all beneficiaries under the Evolve Fund, either alone or together with persons and partnerships with which the holder, annuitant or subscriber, as the case may be, does not deal at arm’s length. In addition, the Units will not be a prohibited investment if such Units are “excluded property” as defined in the Tax Act for a trust governed by a TFSA, FHSA, RDSP, RRSP, RRIF or RESP.

Holders, annuitants and subscribers should consult their own tax advisors with respect to whether Units would be prohibited investments, including with respect to whether Units would be excluded property.

Tax Implications of the Evolve Fund's Distribution Policy

The NAV per Unit of the Evolve Fund will, in part, reflect any income and gains of the Evolve Fund that have accrued or have been realized, but have not been made payable at the time Units were acquired. Accordingly, a Holder who acquires Units, including on a distribution of Units, may become taxable on the Holder's share of such income and gains of the Evolve Fund. In particular, an investor who acquires Units at any time in the year but prior to a distribution being paid or made payable will have to pay tax on the entire distribution (to the extent it is a taxable distribution) notwithstanding that such amounts may have been reflected in the price paid by the Holder for the Units. Further, provided the Evolve Fund elects to have a December 15 year-end, where a Holder acquires Units in a calendar year after December 15 of such year, such Holder may become taxable on income earned or capital gains realized in the taxation year ending on December 15 of such calendar year but that had not been made payable before the Units were acquired.

Where the Evolve Fund realizes capital gains on the disposition of assets effected to fund the redemption price for Units tendered for redemption during a year or has otherwise realized gains during the year prior to the time of redemption, such capital gains may be allocated or designated to Unitholders who hold Units at the end of the year rather than to the redeeming Unitholders.

ORGANIZATION AND MANAGEMENT DETAILS OF THE EVOLVE FUND

Manager

EFG will be the trustee, manager, promoter and portfolio manager of the Evolve Fund and will be responsible for the administration of the Evolve Fund. In its capacity as portfolio manager, EFG is responsible for the oversight and provision of investment advisory services to the Evolve Fund.

The Manager is registered as an investment fund manager and portfolio manager with the applicable Securities Regulatory Authorities in Canada. The registered office of the Evolve Fund and the Manager is located at TD Canada Trust Tower, 161 Bay Street, Suite 1210, Toronto, ON M5J 2S1.

The Manager will perform or arrange for the performance of management services for the Evolve Fund and will be responsible for the administration of the Evolve Fund. The Manager is entitled to fees for its services as manager under the Declaration of Trust as described under "Fees and Expenses" and will be reimbursed for all reasonable costs and expenses incurred by the Manager on behalf of the Evolve Fund.

Duties and Services to be Provided by the Manager

Pursuant to the Declaration of Trust, the Manager has full authority and responsibility to manage and direct the business and affairs of the Evolve Fund, to make all decisions regarding the business of the Evolve Fund and to bind the Evolve Fund. The Manager may delegate certain of its powers to third parties where, in the discretion of the Manager, it would be in the best interests of the Evolve Fund to do so.

The Manager is responsible for providing, or causing to be provided, management, administrative and portfolio advisory and investment management services to the Evolve Fund. The Manager's duties include, without limitation:

- (i) negotiating contracts with certain third-party service providers, including but not limited to investment managers, sub-advisors, custodians, registrars, transfer agents, auditors and printers;
- (ii) authorizing the payment of operating expenses incurred on behalf of the Evolve Fund;
- (iii) maintaining accounting records;
- (iv) preparing the reports to Unitholders and to the applicable Securities Regulatory Authorities;
- (v) calculating the amount and determining the frequency of distributions by the Evolve Fund;
- (vi) preparing financial statements, income tax returns and financial and accounting information as required;

- (vii) ensuring that Unitholders are provided with financial statements and other reports as are required from time to time by applicable law;
- (viii) ensuring that the Evolve Fund complies with all other regulatory requirements including continuous disclosure obligations under applicable securities laws;
- (ix) administering purchases, redemptions and other transactions in Units;
- (x) arranging for any payments required upon termination of the Evolve Fund;
- (xi) dealing and communicating with Unitholders;
- (xii) providing office facilities and personnel to carry out these services, if not otherwise furnished by any other service provider to the Evolve Fund;
- (xiii) monitoring the investment strategy of the Evolve Fund to ensure that the Evolve Fund complies with its investment objective, investment strategies and investment restrictions and practices; and
- (xiv) facilitating the execution of orders and investment recommendations provided by sub-advisors where required.

The Manager is required to exercise its powers and discharge its duties honestly, in good faith and in the best interests of the Unitholders, and to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. The Declaration of Trust provides that the Manager will not be liable to the Evolve Fund or to any Unitholder or any other person for any loss or damage relating to any matter regarding the Evolve Fund, including any loss or diminution of value of the assets of the Evolve Fund if it has satisfied its standard of care set forth above.

The administration and management services of the Manager under the Declaration of Trust are not exclusive and nothing in the Declaration of Trust prevents the Manager from providing similar administrative and management services to other investment funds and other clients (whether or not their investment objectives and policies are similar to those of the Evolve Fund) or from engaging in other activities.

The Manager and each of its directors, officers, employees and agents may be indemnified out of the assets of the Evolve Fund from and against all claims whatsoever, including costs, charges and expenses in connection therewith, brought, commenced or prosecuted against it for or in respect of any act, deed, matter or thing whatsoever made, done or omitted in or in relation to the execution of its duties to the Evolve Fund as long as the person acted honestly and in good faith with a view to the best interests of the Evolve Fund.

The Manager may resign upon 90 days' prior written notice to the Trustee or upon such lesser notice period as the Trustee may accept. The Manager may also be removed by the Trustee on at least 90 days' written notice to the Manager. The Manager is deemed to have resigned if the Manager ceases to (i) be resident in Canada for the purposes of the Tax Act; or (ii) carry out its functions of managing the Evolve Fund in Canada. The Trustee shall make every effort to select and appoint a successor manager prior to the effective date of the Manager's resignation.

Officers and Directors of the Manager

The name and municipality of residence of each of the directors and executive officers of the Manager and their principal occupations are as follows:

***Name and Municipality of
Residence***

RAJ LALA
Toronto, Ontario

Position with the Manager and Principal Occupation

President, Chief Executive Officer, Director and Ultimate Designated Person, EFG

Prior to founding EFG, Raj Lala served as Head of WisdomTree Canada – a division of WisdomTree Investments Inc., one of the world’s largest ETF issuers. Prior to this, Mr. Lala was Executive Vice President and Head of Retail Markets for Fiera Capital Corporation, a prominent Canadian investment management firm with over \$100 billion in assets under management. Mr. Lala co-founded and served as President and CEO of Propel Capital Corporation (which was acquired by Fiera Capital Corporation in September 2014). Propel raised approximately \$1 billion in structured products in its five years of operation. Prior to Propel, Mr. Lala worked with Jovian Capital. Mr. Lala held several roles at Jovian including President of JovFunds Inc., an asset management division of Jovian Capital. Mr. Lala holds a Bachelor’s degree in Economics from the University of Toronto (1994).

SCHARLET DIRADOUR
Toronto, Ontario

Chief Financial Officer, Chief Compliance Officer, EFG

Prior to joining EFG, Ms. Diradour played a key role in the establishment of a Derivatives and Alternative Investments Administration group at Fiera Capital Corporation, a major Canadian investment management firm with over \$100 billion in asset under management. In addition, Ms. Diradour was an integral part of driving a full-scale operational process for Fiera Quantum Limited Partnership, an alternative investment manager. Previously, Ms. Diradour was a Senior Analyst on the Operations Risk and Valuation Group at Curaçao International Trust Company Fund Services (Canada), working closely with many prominent US and European hedge funds. Ms. Diradour received a BA Dipl. with Honours from Humber Business School, a BAS Specialized Honours from York University and a MFin from Queen’s University. Ms. Diradour has completed Level II of the CFA Program. Through Humber Business Schools Ms. Diradour was awarded the David Dodge Economics Award, personally presented by David Dodge, the Former Governor of the Bank of Canada for excellence in studies in economics. Ms. Diradour was also presented the Rosemary Brown Human Rights Award for outstanding academic achievement. Ms. Diradour volunteers as an advisor for Queen’s University Smith School of Business – Alumni Advisory Program.

ELLIOT JOHNSON
Toronto, Ontario

Chief Investment Officer, Chief Operating Officer, Corporate Secretary and Director, EFG

Prior to joining EFG, Mr. Johnson was Senior Vice President, Retail Markets at Fiera Capital Corporation, a prominent Canadian investment management firm. Prior to this role, Mr. Johnson served as Chief Operating Officer of Fiera Quantum Limited Partnership, an alternative investment manager. From 2010 to 2012, Mr. Johnson led technology management for a number of business lines at National Bank of Canada. Prior to 2010 he spent 13 years at GMP Capital Corp. in a variety of management roles across institutional brokerage, wealth management and asset management businesses. Mr. Johnson holds the Canadian Investment Manager (CIM) designation, the Derivatives Markets Specialist (DMS) designation and is a Fellow of the Canadian Securities Institute (FCSI). From 2016 to 2020, Mr. Johnson served on the board of Trinity College at the University of Toronto as the Chair of the Committee on Investments. Mr. Johnson currently serves as Chair,

***Name and Municipality of
Residence***

KEITH CRONE
Toronto, Ontario

MICHAEL SIMONETTA
Toronto, Ontario

Position with the Manager and Principal Occupation

President and a trustee of the Upper Canada College Foundation and is also a trustee of the US based Upper Canada Educational Foundation.

Chief Marketing Officer, EFG

Prior to joining EFG, Mr. Crone served as Vice President, Retail Markets at Fiera Capital Corporation, a prominent Canadian investment management firm with over \$100 billion in assets under management. Mr. Crone served as Vice President and Partner of Propel Capital Corporation (which was acquired by Fiera Capital Corporation in September 2014). Propel raised approximately \$1 billion in structured products in its five years of operation. Prior to Propel, Mr. Crone served as Senior Vice President, Sales within JovFunds Inc., the specialty investment arm of Jovian Capital Corporation. Prior to 2005, Mr. Crone served in various sales and marketing capacities at Dynamic Funds, which is now a wholly-owned subsidiary of Scotiabank.

Chairman and Director, EFG

Mr. Simonetta has a broad background in management, investment and capital markets. Mr. Simonetta was one of the founding partners of First Asset Management Inc. ("FAMI"), and served as President and CEO of FAMI from 1997 to 2006. At the time FAMI was sold in 2005, FAMI managed in excess of \$30 billion in assets and was one of Canada's top ten largest companies in the pension and high net worth asset management business. FAMI's affiliates have included: Beutel, Goodman & Company Ltd.; Foyston Gordon & Payne, Inc.; Deans Knight Capital Management Ltd., Monrusco Bolton Investments Inc.; Covington Capital Corporation; First Asset Funds Inc. (formerly Triax Capital Corporation); and Northwest Mutual Funds Inc. FAMI was sold in 2005 to Affiliated Managers Group, Inc. (NYSE: AMG), a publicly listed investment management company based in Boston. Mr. Simonetta is a member of the Institute of Chartered Accountants of Ontario, obtaining his C.A. designation in 1984 while achieving Top 20 Honour Roll standing, and holds a Bachelor of Arts from the University of Waterloo (1983 – Gold Medal).

Brokerage Arrangements

The Manager may utilize various brokers to effect securities transactions on behalf of the Evolve Fund. These brokers may directly provide the Manager with research and related services, in addition to executing transactions. The Manager will monitor and evaluate the execution performance of its brokers with a view to determining whether steps should be taken to improve the quality of trade execution. When determining whether a broker should be added to the Manager's list of approved brokers, there are numerous factors that are considered including transaction cost, value of research, type and size of an order, speed and certainty of execution, responsiveness and trade matching quality.

Approved brokers will be monitored on a regular basis to ensure that the value of the goods and services, as outlined above, provides a reasonable benefit as compared to the amount of brokerage commissions paid for the goods and services.

Conflicts of Interest

The administration, management and investment advisory services of the Manager are not exclusive and nothing in the Declaration of Trust prevents the Manager from providing similar services to other investment funds and other

clients (whether or not their investment objectives and policies are similar to those of the Evolve Fund) or from engaging in other activities.

Investments in securities purchased by the Manager on behalf of the Evolve Fund and other investment funds managed by the Manager will be allocated to the Evolve Fund and such other investment funds on a fair and equitable basis according to the size of the order and the applicable investment restrictions and policies of the Evolve Fund and the other investment funds.

When it is determined that it would be appropriate for the Evolve Fund and one or more other investment accounts managed by the Manager or its affiliates to participate in an investment opportunity, the Manager will seek to make such investments for all of the participating investment accounts, including the Evolve Fund, on an equitable basis, taking into account such factors as the relative amounts of capital available for new investments and the investment programs and portfolio positions of the Evolve Fund and the affiliated entities for which participation is appropriate. Orders may be combined for all such accounts, and if any order is not filled at the same price, they may be allocated on an average price basis. Similarly, if an investment for the account of more than one account cannot be fully executed under prevailing market conditions, investments may be allocated among the different accounts on a basis which the Manager or its affiliates consider equitable. The Manager may recommend that the Evolve Fund sell a security, while not recommending such sale for other accounts in order to enable the Evolve Fund to have sufficient liquidity to honor Unitholders' repurchase requests.

The Declaration of Trust acknowledges that the Manager may provide services to the Evolve Fund in other capacities, provided that the terms of any such arrangement are no less favourable to the Evolve Fund than those that would be obtained from parties that are at arm's length for comparable services.

The Manager may at times have interests that differ from the interests of the Unitholders. Where the Manager or its respective affiliates otherwise perceive in the course of business, that they are or may be in a material conflict of interest position, the matter will be referred to the IRC. The IRC will consider all matters referred to it and provide its recommendations to the Manager as soon as possible. In evaluating these conflicts of interest, potential investors should be aware that the Manager has a responsibility to the Unitholders to exercise good faith and fairness in all dealings affecting the Evolve Fund. In the event that a Unitholder believes that the Manager has violated its duty to such Unitholder, the Unitholder may seek relief for itself or on behalf of the Evolve Fund to recover damages from or to require an accounting by the Manager. Unitholders should be aware that the performance by the Manager of its responsibilities to the Evolve Fund will be measured in accordance with (i) the provisions of the agreement by which the Manager have been appointed to its position with the Evolve Fund; and (ii) applicable laws.

Neither the Designated Broker nor any Dealer has been involved in the preparation of this prospectus or has performed any review of the contents of this prospectus and, as such, the Designated Broker and the Dealers do not perform many of the usual underwriting activities in connection with the distribution by the Evolve Fund of its Units under this prospectus. Units do not represent an interest or an obligation of the Designated Broker, any Dealer or any affiliate thereof and a Unitholder does not have any recourse against any such parties in respect of amounts payable by the Evolve Fund to the Designated Broker or applicable Dealers.

A registered dealer acts as the Designated Broker and one or more registered dealers acts or may act as a Dealer and/or a market maker. These relationships may create actual or perceived conflicts of interest that investors should consider in relation to an investment in the Evolve Fund. In particular, by virtue of these relationships, these registered dealers may profit from the sale and trading of Units. The Designated Broker, as market maker of the Evolve Fund in the secondary market, may therefore have economic interests that differ from, and may be adverse to, those of Unitholders. Any such registered dealer and its affiliates may, at present or in the future, engage in business with the Evolve Fund, with the issuers of securities making up the investment portfolio of the Evolve Fund or with the Manager or any funds sponsored by the Manager or its affiliates, including by making loans, entering into derivative transactions or providing advisory or agency services to the Manager or its affiliates. In addition, the relationship between any such registered dealer and its affiliates and the Manager and its affiliates may extend to other activities, such as being part of a distribution syndicate for other funds sponsored by the Manager or its affiliates.

See also "Other Material Facts".

Independent Review Committee

As required by NI 81-107, the Manager has established an Independent Review Committee (“**IRC**”) to review all conflicts of interest matters identified and referred to the IRC by the Manager relating to the Evolve Fund. The IRC reviews and gives its approval or recommendations as to the conflict of interests matters referred to it. A conflict of interest matter is a situation where a reasonable person would consider the Manager or an entity related to the Manager to have an interest that conflicts with the Manager’s ability to act in good faith and in the best interest of the Evolve Fund. The IRC is also required to approve certain reorganizations involving the Evolve Fund and any change of the auditors of the Evolve Fund.

The IRC is made up of members who are independent. The Manager considers that an individual is independent if the individual is not a director, officer or employee of any of the Manager or an affiliate of the Manager for at least 5 years. In addition, the individual must be independent of management and free from any interest and any business or other relationship that could, or could reasonably be perceived to, materially interfere with the individual’s ability to act with the view to the best interest of the Evolve Fund.

The members of the IRC are Kevin Drynan (Chair), Rod McIsaac and Mark Leung.

The IRC has a written charter that sets out its powers, duties and responsibilities. Additionally, pursuant to NI 81-107, the IRC assesses, at least annually, the adequacy and effectiveness of the following: the Manager’s policies and procedures regarding conflict of interest matters; any standing instructions that the IRC gave to the Manager for conflict of interest matters related to the Evolve Fund; the compliance of the Manager and the Evolve Fund with any conditions imposed by the IRC on a recommendation or approval it has provided to the Manager; the independence and compensation of its members; the IRC’s effectiveness as a committee; and the contribution of each member to the IRC.

The IRC prepares a report for Unitholders, at least annually, of its activities. Such report is made available on the Manager’s website at www.evolveetfs.com or, at the request of a Unitholder and at no cost, by calling the Manager at (416)-214-4884 or toll-free at 1-844-370-4884 or by sending an email request to info@evolveetfs.com.

The members of the IRC are paid an annual fee for serving on the IRC of the investment funds in the EFG family of funds. Each investment fund, including the Evolve Fund, is responsible for a portion of that fee, which is allocated by the Manager among the various funds. Currently, annual fees are payable to the following members of the IRC as follows: Kevin Drynan (Chair, \$15,000), Rod McIsaac (\$10,000) and Mark Leung (\$10,000). In addition to the annual fee, each IRC member will receive an additional \$2,000 for each additional meeting held after the first two meetings in any year.

The investment funds in the EFG family of ETFs all share the same IRC. Fees and expenses of the IRC are borne and shared by all of the investment funds in the EFG family of ETFs.

Trustee

Pursuant to the Declaration of Trust, the Manager is also the trustee of the Evolve Fund. The Trustee may resign upon 90 days’ notice to Unitholders and the Manager. The Trustee must be removed if the Trustee ceases to (i) be resident in Canada for purposes of the Tax Act; (ii) carry out its function of managing the Evolve Fund in Canada; or (iii) exercise the main powers and discretions of the Trustee in respect of the Evolve Fund in Canada. If the Trustee resigns or if it becomes incapable of acting as trustee, the Trustee may appoint a successor trustee prior to its resignation, and its resignation shall become effective upon the acceptance of such appointment by its successor. If no successor has been appointed within 90 days after the Trustee has provided the Manager with 90 days’ notice of its intention to resign, the Evolve Fund will be terminated, and the property of the Evolve Fund shall be distributed in accordance with the terms of the Declaration of Trust.

The Declaration of Trust provides that the Trustee shall act honestly, in good faith and in the best interests of the Evolve Fund and shall perform its duties to the standard of care that a reasonably prudent person would exercise in the circumstances. In addition, the Declaration of Trust contains other customary provisions limiting the liability of

the Trustee and indemnifying the Trustee in respect of certain liabilities incurred by it in carrying out the Trustee's duties.

At any time during which the Manager is the trustee, the Manager will receive no fee in respect of the provision of services as trustee.

Custodian

Cidel Trust Company is the custodian of the assets of the Evolve Fund (the "**Custodian**"). The Custodian is a federally regulated trust company based in Calgary, Alberta and will provide services to the Evolve Fund from its office in Toronto, Ontario. The Custodian is a wholly owned subsidiary of Cidel Bank Canada, a Schedule II Bank regulated by the Office of the Superintendent of Financial Institutions. The Custodian will be responsible for safekeeping of all the investments and other assets of the Evolve Fund delivered to it (but not those assets of the Evolve Fund not directly controlled or held by the Custodian, as the case may be). The Custodian may appoint a sub-custodian from time to time in accordance with NI 81-102.

The Manager, on behalf of the Evolve Fund, or the Custodian may terminate the Custodian Agreement upon at least 120 days' written notice. The Manager, on behalf of the Evolve Fund, may terminate the Custodian Agreement immediately: (a) in the event the Custodian, in the reasonable opinion of the Manager, fails to comply with or be qualified to act as a custodian under NI 81-102; (b) if an order is made or an effective resolution is passed for the winding up, dissolution or liquidation of the Custodian; or (c) if the Custodian becomes bankrupt or insolvent or makes a general assignment for the benefit of its creditors or a receiver is appointed in respect of the Custodian or a substantial portion of its assets. The Custodian may terminate the Custodian Agreement on 30 days' written notice to the Evolve Fund in the event that the Custodian has delivered a termination notice to the Sub-Custodian, or is entitled to deliver a termination notice to the Sub-Custodian upon the occurrence of certain termination events, pursuant to the terms of the Sub-Custodian Agreement. The Custodian is entitled to receive fees from the Evolve Fund as described under "Fees and Expenses – Certain Operating Expenses" and to be reimbursed for all expenses and liabilities that are properly incurred by the Custodian in connection with the activities of the Evolve Fund.

The Custodian, in carrying out its duties concerning the safekeeping of, and dealing with, the portfolio assets of the Evolve Fund, is required to exercise (a) the degree of care, diligence and skill that a reasonably prudent person would exercise in the circumstances; or (b) at least the same degree of care as they exercise with respect to their own property of a similar kind, if this is a higher degree of care than the degree of care referred to in (a).

Sub-Custodian

All assets of the Evolve Fund will be custodied by Coinbase Custody Trust Company, LLC. The Sub-Custodian acts as sub-custodian of the Evolve Fund in respect of the Evolve Fund's holdings of Solana (the "**Sub-Custodian**") pursuant to a sub-custodian agreement between the Custodian, the Evolve Fund, and the Sub-Custodian (the "**Sub-Custodian Agreement**").

The Sub-Custodian is a trust company licensed and regulated by the New York State Department of Financial Services and is qualified to act as a sub-custodian of the Evolve Fund for assets held outside of Canada in accordance with NI 81-102. Having successfully completed its SOC 1 Type 1 examination and SOC 2 Type 2 examinations, all conducted by Deloitte & Touche LLP, the Sub-Custodian has demonstrated a high level of financial operations and security compliance with respect to protecting customer data and funds.

As a fiduciary under Section 100 of the New York Banking Law, the Sub-Custodian is held to specific capital reserve requirements and banking compliance standards. The Sub-Custodian is also subject to the laws, regulations and rules of applicable governmental or regulatory authorities, including: money service business regulations under the Financial Crimes Enforcement Network ("**FinCEN**"); U.S. state money transmission laws; laws, regulations, and rules of relevant tax authorities; applicable regulations and guidance set forth by FinCEN; the Bank Secrecy Act of 1970; the USA PATRIOT Act of 2001; AML regulations as mandated by U.S. federal law and any other rules and regulations regarding anti-money laundering/counter-terrorist financing; issuances from the Office of Foreign Assets Control; the New York Banking Law; regulations promulgated by the New York State Department of Financial Services from time to time; the National Futures Association; the Financial Industry Regulatory Authority; and the Commodity Exchange Act.

The Sub-Custodian will use segregated cold storage Solana Network addresses, as applicable, for the Evolve Fund which are separate from the Solana Network addresses that the Sub-Custodian uses for its other customers and which are directly verifiable via the Solana blockchain. The Sub-Custodian will at all times record and identify in its books and records that such Solana constitute the property of the applicable Evolve Fund. The Sub-Custodian will not loan, hypothecate, pledge or otherwise encumber the Evolve Fund's Solana, as applicable, without the Evolve Fund's instruction. The Sub-Custodian, in carrying out its duties concerning the safekeeping of, and dealing with, the Evolve Fund's Solana, as applicable, is required to take reasonable care and use commercially reasonable efforts in executing its responsibilities under the Sub-Custodian Agreement, and has agreed to adhere to the standard of care required by law, including NI 81-102.

The Manager may appoint additional sub-custodians from time to time in accordance with NI 81-102.

Solana Storage, Security Policies and Practices

The Solana that the Sub-Custodian will hold for the Evolve Fund will be stored offline in cold storage only. Solana private keys are stored in two different forms: "hot wallet" storage, whereby the private keys are connected to the internet, and "cold" storage, where digital currency private keys are stored completely offline.

The Sub-Custodian has adopted the following security policies and practices with respect to digital assets held in cold storage: hardware security modules ("HSMs") are used to generate, store and manage cold storage private keys; multi-signature technology is used to provide both security against attacks and tolerance for losing access to a key or facility, eliminating single points of failure; all HSMs are stored offline in air-gapped environments within a diverse network of guarded, monitored and access-controlled facilities that are geographically distributed; multiple levels of physical security and monitoring controls are implemented to safeguard HSMs within storage facilities; all fund transfers require the coordinated actions of multiple employees; and digital asset whitelisting is enforced for all cold storage accounts.

Coinbase BSA/AML Program

The Sub-Custodian has adopted the Coinbase BSA/AML Program for its digital asset exchange and custody service in an effort to maintain the highest possible compliance with applicable laws and regulations relating to anti-money laundering in the United States and other countries where it conducts business. This program includes robust internal policies, procedures and controls that combat any attempted use of the Sub-Custodian for illegal or illicit purposes, including a customer identification program, annual training of all employees and officers in AML regulation, filing of Suspicious Activity Reports and Currency Transaction Reports with the U.S. Financial Crimes Enforcement Network and annual internal and independent audits of the Coinbase BSA/AML Program.

Website Security

The Sub-Custodian has implemented certain security policies and practices to enhance security on its website, including through the use of two-factor authentication for certain user actions, such as withdrawals; a requirement for strong passwords from its users, which are cryptographically hashed using modern standards; encryption of sensitive user information, both in transit and at rest; the application of rate-limiting procedures to certain account operations such as login attempts to thwart brute force attacks; the transmission of website data over encrypted transport layer security connections; the leveraging of content-security policy and HTTP strict transport security features in modern browsers; partnerships with enterprise vendors to mitigate potential distributed denial-of-service attacks; and the use of separate access controls on internal-only sections of the Sub-Custodian's website.

Internal Controls

In addition to the security policies and procedures discussed above, the Sub-Custodian has also instituted the following internal controls: multiple signatories are required to transfer funds out of cold storage; the Sub-Custodian's Chief Executive Officer and President are unable to individually or jointly transfer funds out of cold storage; all private keys are stored offsite in secure facilities; all employees undergo criminal and credit background checks, and are subject to ongoing background checks throughout their employment; and all remote-access by employees uses public-key authentication (e.g. no passwords, one-time passwords or other phishable credentials are used).

Insurance

The Sub-Custodian is responsible for securing the Solana owned by the Evolve Fund.

The Sub-Custodian maintains commercial crime insurance in respect of the Solana held by it (e.g., Solana held in “cold storage”). To date, the Sub-Custodian has never experienced a loss due to unauthorized access from its hot wallet or the cold storage vaults where the Evolve Fund’s Solana will be custodied. The Evolve Fund’s Solana will generally be held offline in cold storage only.

Auditors

The auditors of the Evolve Fund are Ernst & Young LLP located at its principal offices in Toronto, Ontario. The auditors of the Evolve Fund may not be changed unless the IRC has approved the change and Unitholders have received at least 60 days’ notice before the effective date of the change, or as otherwise required by Canadian Securities Legislation.

Registrar and Transfer Agent

TSX Trust Company, at its principal offices in Toronto, Ontario, is the Registrar and Transfer Agent for the Evolve Fund pursuant to a registrar and transfer agency agreement entered into as of the date of the initial issuance of Units.

Fund Administrator

CIBC Mellon Trust Company, at its principal offices in Toronto, Ontario, is the Fund Administrator. The Fund Administrator is responsible for certain aspects of the day-to-day administration of the Evolve Fund, including NAV calculations, accounting for net income and net realized capital gains of the Evolve Fund and maintaining books and records with respect to the Evolve Fund.

Promoter

The Manager has taken the initiative in founding and organizing the Evolve Fund and is, accordingly, the promoter of the Evolve Fund within the meaning of securities legislation of certain provinces and territories of Canada. The Manager, in its capacity as manager of the Evolve Fund, receives compensation from the Evolve Fund. See “Fees and Expenses”.

CALCULATION OF NET ASSET VALUE

The NAV and NAV per Unit of the Evolve Fund are calculated by the Fund Administrator as of the Valuation Time on each Valuation Date. The NAV of the Evolve Fund on a particular date is equal to the aggregate value of the assets of the Evolve Fund less the aggregate value of the liabilities of the Evolve Fund, including any accrued management and administration fees and any income, net realized capital gains or other amounts payable to Unitholders on or before such date, expressed in U.S. dollars. The NAV per Unit on any day is obtained by dividing the NAV of the Evolve Fund on such day by the applicable number of Units then outstanding.

Valuation Policies and Procedures of the Evolve Fund

In determining the NAV of the Evolve Fund at any time, the Fund Administrator uses the following valuation principles:

- a) cash on hand or on deposit, bills, demand notes, accounts receivable, prepaid expenses, cash dividends received or receivable and interest accrued and not yet received, shall be deemed to be the face value thereof unless the Manager has determined that any such deposit, bill, demand note, account receivable, prepaid expense, cash dividend received or receivable or interest is not worth the full face value, in which event the value thereof shall be deemed to be such value as the Manager determines to be reasonable;
- b) the Evolve Fund’s Solana will be valued based on the CME CF Solana-Dollar Reference Rate;
- c) the liabilities of the Evolve Fund will include:

- (i) all bills, notes and accounts payable of which the Evolve Fund is an obligor;
 - (ii) all brokerage expenses of the Evolve Fund;
 - (iii) all Management Fees;
 - (iv) all contractual obligations of the Evolve Fund for the payment of money on property, including the amount of any unpaid distribution credited to the Holders on or before that Valuation Date;
 - (v) all allowances of the Evolve Fund authorized or approved by the Manager for taxes (if any) or contingencies; and
 - (vi) all other liabilities of the Evolve Fund of whatsoever kind and nature;
- d) each transaction of purchase or sale of a portfolio asset effected by the Evolve Fund shall be reflected by no later than the next time that the NAV of the Evolve Fund and the NAV per Unit is calculated; and
 - e) if any investment cannot be valued under the foregoing rules or if the foregoing rules are at any time considered by the Manager to be inappropriate under the circumstances, then notwithstanding the foregoing rules, the Manager shall make such valuation as it considers fair and reasonable.

Unless otherwise indicated, for purposes hereof, “current market value” means the most recently available sale price applicable to the relevant security on the principal exchange on which it is traded immediately preceding the Valuation Time on the Valuation Date, provided that, if no sale has taken place on a Valuation Date, the average of the bid and asked quotations immediately prior to the Valuation Time on the Valuation Date shall be used.

For the purposes of the foregoing valuation policies, quotations may be obtained from any report in common use, or from a reputable broker or other financial institutions, provided always that the Manager shall retain sole discretion to use such information and methods as it deems to be necessary or desirable for valuing the assets of the Evolve Fund, including the use of a formula computation.

If any investment cannot be valued under the foregoing rules or if the foregoing rules are at any time considered by the Manager to be inappropriate under the circumstances, then notwithstanding the foregoing rules, the Manager shall make such valuation as it considers fair and reasonable under the circumstances and, if there is an industry practice, in a manner consistent with such industry practice for valuing such investment.

Pursuant to NI 81-106, investment funds calculate their net asset value using fair value for purposes of securityholder transactions. The Manager considers the policies above to result in fair valuation of the securities held by the Evolve Fund in accordance with NI 81-106 and such policies have been approved by the Board of Directors of the Manager. Net assets of the Evolve Fund will continue to be calculated in accordance with the rules and policies of the Canadian Securities Administrators or any exemption therefrom that the Evolve Fund may obtain.

Reporting of Net Asset Value

The Manager will publish the NAV and NAV per Unit for the Evolve Fund following the Valuation Time on the Valuation Date on its website at www.evolveetfs.com.

Suspension of Calculation of Net Asset Value

The Manager may suspend the calculation of the NAV of the Evolve Fund and the NAV per Unit for the whole or any part of a period during which the right to redeem Units is suspended.

ATTRIBUTES OF THE SECURITIES

Description of the Securities Distributed

The Evolve Fund is authorized to issue redeemable, transferable USD Units and CAD Units under this prospectus, each of which represents an undivided interest in the net assets of the Evolve Fund. CAD Units of the Evolve Fund are denominated in Canadian dollars and USD Units of the Evolve Fund are denominated in U.S. dollars.

On December 16, 2004, the *Trust Beneficiaries' Liability Act, 2004* (Ontario) came into force. This statute provides that holders of units of a trust are not, as beneficiaries, liable for any default, obligation or liability of the trust if, when

the default occurs or the liability arises: (i) the trust is a reporting issuer under the *Securities Act* (Ontario); and (ii) the trust is governed by the laws of the Province of Ontario. The Evolve Fund is a reporting issuer under the *Securities Act* (Ontario) and the Evolve Fund is governed by the laws of Ontario by virtue of the provisions of the Declaration of Trust.

Certain Provisions of the Units

Each Unit entitles the holder thereof to one vote at meetings of Unitholders and to participate equally with all other Units of the same class of the Evolve Fund with respect to all payments made to Unitholders, other than Management Fee Distributions, including distributions of net income and net realized capital gains and, on liquidation, to participate equally in the net assets of the Evolve Fund remaining after satisfaction of any outstanding liabilities that are attributable to Units of that class of the Evolve Fund. Notwithstanding the foregoing, the Evolve Fund may allocate and designate as payable certain capital gains to a Unitholder whose Units are being redeemed or exchanged as described under “Exchange and Redemption of Units – Allocations of Capital Gains to Redeeming or Exchanging Unitholders”. All Units will be fully paid, with no liability for future assessments, when issued and will not be transferable except by operation of law. Unitholders are entitled to require the Evolve Fund to redeem their Units as outlined under “Exchange and Redemption of Units – Redemption of Units of the Evolve Fund for Cash”.

Redemptions of Units for Cash

On any Trading Day, Unitholders may redeem Units for cash at a redemption price per Unit equal to 95% of the closing price for the applicable Units on the Designated Exchange on the effective day of redemption, subject to a maximum redemption price per Unit equal to the NAV per Unit on the effective day of redemption, less any applicable administrative fee determined by the Manager, in its sole discretion, from time to time. Because Unitholders will generally be able to sell Units at the market price on the Designated Exchange through a registered broker or dealer subject only to customary brokerage commissions, Unitholders are advised to consult their brokers, dealers or investment advisers before redeeming their Units for cash.

Modification of Terms

All rights attached to the Units may only be modified, amended or varied in accordance with the terms of the Declaration of Trust. See “Unitholder Matters – Amendments to the Declaration of Trust”.

The Manager may amend the Declaration of Trust from time to time to redesignate the name of the Evolve Fund or to create a new class or series of units of the Evolve Fund without notice to existing Unitholders.

Voting Rights in the Portfolio Securities

Holders of Units will not have any voting rights in respect of the securities in the Evolve Fund’s portfolio.

UNITHOLDER MATTERS

Meetings of Unitholders

Meetings of Unitholders will be held if called by the Manager or upon the written request to the Manager of Unitholders holding not less than 25% of the then outstanding Units.

Matters Requiring Unitholder Approval

NI 81-102 requires a meeting of Unitholders to be called to approve certain changes as follows:

- (i) the basis of the calculation of a fee or expense that is charged to the Evolve Fund or its Unitholders is changed in a way that could result in an increase in charges to the Evolve Fund or to its Unitholders, except where (a) the Evolve Fund is at arm’s length with the person or company charging the fee; and (b) the Unitholders have received at least 60 days’ notice before the effective date of the change;
- (ii) a fee or expense, to be charged to the Evolve Fund or directly to its Unitholders by the Evolve Fund or the Manager in connection with the holding of Units that could result in an increase in charges to the Evolve Fund or its Unitholders, is introduced;

- (iii) the Manager is changed, unless the new manager of the Evolve Fund is an affiliate of the Manager;
- (iv) the fundamental investment objective of the Evolve Fund is changed;
- (v) the Evolve Fund decreases the frequency of the calculation of its NAV per Unit;
- (vi) other than a Permitted Merger (as defined below) for which Unitholder approval is not required, the Evolve Fund undertakes a reorganization with, or transfers its assets to, another mutual fund, if the Evolve Fund ceases to continue after the reorganization or transfer of assets and the transaction results in the Unitholders becoming securityholders in the other mutual fund;
- (vii) the Evolve Fund undertakes a reorganization with, or acquires assets from, another mutual fund, if the Evolve Fund continues after the reorganization or acquisition of assets, the transaction results in the securityholders of the other mutual fund becoming Unitholders, and the transaction would be a material change to the Evolve Fund; or
- (viii) any matter which is required by the constitutive documents of the Evolve Fund, by the laws applicable to the Evolve Fund or by any agreement to be submitted to a vote of the Unitholders.

In addition, the auditors of the Evolve Fund may not be changed unless the IRC of the Evolve Fund has approved the change and Unitholders have received at least 60 days' notice before the effective date of the change.

Approval of Unitholders of any such matter will be given if a majority of the votes cast at a meeting of Unitholders duly called and held for the purpose of considering the same approve the related resolution.

Amendments to the Declaration of Trust

The Trustee may amend the Declaration of Trust from time to time but may not, without the approval of a majority of the votes of Unitholders voting at a meeting of Unitholders duly called for such purpose, make any amendment relating to any matter in respect of which NI 81-102 requires a meeting, as set out above, or any amendment that will adversely affect the voting rights of Unitholders. All Unitholders shall be bound by an amendment affecting the Evolve Fund from the effective date of the amendment.

Permitted Mergers

The Evolve Fund may, without Unitholder approval, enter into a merger or other similar transaction (a "**Permitted Merger**") that has the effect of combining the Evolve Fund with any other investment fund or funds that have investment objectives, valuation procedures and fee structures that are similar to the Evolve Fund, subject to:

- (i) approval of the merger by the IRC;
- (ii) compliance with certain merger pre-approval conditions set out in NI 81-102; and
- (iii) written notice being sent to Unitholders at least 60 days before the effective date of the merger.

In connection with a Permitted Merger, the merging funds will be valued at their respective net asset values and Unitholders will be offered the right to redeem their Units for cash at the applicable NAV per Unit.

Accounting and Reporting to Unitholders

The fiscal year-end of the Evolve Fund is December 31. The Evolve Fund will deliver or make available to Unitholders: (i) audited annual financial statements; (ii) unaudited interim financial statements; and (iii) annual and interim management reports of fund performance. Such documents are, or will be, incorporated by reference into, and form an integral part of, this prospectus. See "Documents Incorporated by Reference".

Each Unitholder will also be mailed annually, by his, her or its broker, as and when required under applicable law, information necessary to enable such Unitholder to complete an income tax return with respect to amounts paid or payable by the Evolve Fund owned by such Unitholder in respect of the preceding taxation year of the Evolve Fund. Neither the Manager nor the Registrar and Transfer Agent is responsible for tracking the adjusted cost base of a Unitholder's Units. Unitholders should consult with their tax or investment adviser in respect of how to compute the adjusted cost base of their Units and in particular how distributions made by the Evolve Fund to a Unitholder affect the Unitholder's tax position. See "Income Tax Considerations".

The Manager will ensure that the Evolve Fund complies with all applicable reporting and administrative requirements. The Manager will also ensure that adequate books and records are kept reflecting the activities of the Evolve Fund. A Unitholder or his, her or its duly authorized representative has the right to examine the books and records of the Evolve Fund during normal business hours at the offices of the Fund Administrator. Notwithstanding the foregoing, a Unitholder shall not have access to any information that, in the opinion of the Manager, should be kept confidential in the interests of the Evolve Fund.

International Information Reporting

Part XVIII of the Tax Act (the “**IGA Legislation**”) imposes due diligence and reporting obligations on “reporting Canadian financial institutions” in respect of their “U.S. reportable accounts”. The Evolve Fund is a “reporting Canadian financial institution” but as long as Units continue to be registered in the name of CDS, the Evolve Fund should not have any “U.S. reportable accounts” and, as a result, the Evolve Fund should not be required to provide information to the CRA in respect of its Unitholders. However, dealers through which Unitholders of the Evolve Fund hold their Units are subject to due diligence and reporting obligations with respect to financial accounts they maintain for their clients. Accordingly, Unitholders of the Evolve Fund may be requested to provide information to their dealer to identify U.S. persons holding Units. If a Unitholder is a U.S. person (including a U.S. citizen) or if a Unitholder does not provide the requested information, the IGA Legislation will generally require information about the Unitholder’s investments held in the financial account maintained by the dealer to be reported to the CRA, unless the investments are held within a Plan. The CRA is expected to provide that information to the U.S. Internal Revenue Service (the “**IRS**”).

Part XIX of the Tax Act (the “**CRS Legislation**”) implements the Organization for Economic Co-operation and Development Common Reporting Standard. Pursuant to the CRS Legislation, “Canadian financial institutions” (as defined in the CRS Legislation) are required to have procedures in place to identify accounts held by residents of foreign countries (other than the U.S.) or by certain entities the “controlling persons” of which are resident in a foreign country (other than the U.S.) and to report required information to the CRA. Such information is exchanged on a reciprocal, bilateral basis with countries that have agreed to a bilateral information exchange with Canada under the Common Reporting Standard in which the account holders or such controlling persons are resident. Under the CRS Legislation, Unitholders may be required to provide certain information regarding their investment in the Evolve Fund for the purpose of such procedures and, where applicable, such information exchange, unless the investment is held within a Plan.

TERMINATION OF THE EVOLVE FUND

The Evolve Fund may be terminated by the Manager on at least sixty (60) days’ notice to Unitholders of such termination and the Manager will issue a press release in advance thereof. The Manager may also terminate the Evolve Fund if the Trustee resigns or becomes incapable of acting and is not replaced. The rights of Unitholders to exchange and redeem Units described under “Exchange and Redemption of Units – Exchange of Units of the Evolve Fund at Net Asset Value per Unit for Cash” and “Exchange and Redemption of Units – Redemption of Units of the Evolve Fund for Cash” will cease as and from the date of termination of the Evolve Fund.

The Trustee shall be entitled to retain out of any assets of the Evolve Fund, at the date of termination of the Evolve Fund, full provision for all costs, charges, expenses, claims and demands incurred or believed by the Trustee to be due or to become due in connection with or arising out of the termination of the Evolve Fund and the distribution of its assets to the Unitholders. Out of the moneys so retained, the Trustee is entitled to be indemnified and saved harmless against all costs, charges, expenses, claims and demands. Upon such termination, the portfolio securities, cash and other assets remaining after paying or providing for all liabilities and obligations of the Evolve Fund shall be distributed pro rata based on NAV among the Unitholders.

PLAN OF DISTRIBUTION

The Evolve Fund is offering Units. The Units shall be offered for sale at a price equal to the NAV of such class of Units determined at the Valuation Time on the effective date of the subscription order.

Non-Resident Unitholders

At no time may (i) non-residents of Canada, (ii) partnerships that are not Canadian partnerships or (iii) a combination of non-residents of Canada and such partnerships (all as defined in the Tax Act) be the beneficial owners of a majority of the Units (on either a number of Units or fair market value basis) and the Manager shall inform the Registrar and Transfer Agent of this restriction. The Manager may require declarations as to the jurisdictions in which a beneficial owner of Units is resident and, if a partnership, its status as a Canadian partnership. If the Manager becomes aware, as a result of requiring such declarations as to beneficial ownership or otherwise, that the beneficial owners of 40% of the Units then outstanding (on either a number of Units or fair market value basis) are, or may be, non-residents and/or partnerships that are not Canadian partnerships, or that such a situation is imminent, the Manager may make a public announcement thereof. If the Manager determines that more than 40% of the Units (on either a number of Units or fair market value basis) are beneficially held by non-residents and/or partnerships that are not Canadian partnerships, the Manager may send a notice to such non-residents and/or partnerships, chosen in inverse order to the order of acquisition or in such manner as the Manager may consider equitable and practicable, requiring them to sell their Units or a portion thereof within a specified period of not less than 30 days. If the Unitholders receiving such notice have not sold the specified number of Units or provided the Manager with satisfactory evidence that they are not non-residents or partnerships other than Canadian partnerships within such period, the Manager may on behalf of such Unitholders sell such Units and, in the interim, shall suspend the voting and distribution rights attached to such Units. Upon such sale, the affected holders shall cease to be beneficial holders of Units and their rights shall be limited to receiving the net proceeds of sale of such Units.

Notwithstanding the foregoing, the Manager may determine not to take any of the actions described above if the Manager has been advised by legal counsel that the failure to take any of such actions would not adversely impact the status of the Evolve Fund as a mutual fund trust for purposes of the Tax Act or, alternatively, may take such other action or actions as may be necessary to maintain the status of the Evolve Fund as a mutual fund trust for purposes of the Tax Act.

RELATIONSHIP BETWEEN THE EVOLVE FUND AND THE DEALERS

The Manager, on behalf of the Evolve Fund, may enter into various agreements with registered dealers (that may or may not be the Designated Broker) pursuant to which the Dealers may subscribe for Units as described under “Purchases of Units”.

Neither the Designated Broker nor any Dealer has been involved in the preparation of this prospectus or has performed any review of the contents of this prospectus and, as such, the Designated Broker and the Dealers do not perform many of the usual underwriting activities in connection with the distribution by the Evolve Fund of its Units under this prospectus. Units do not represent an interest or an obligation of the Designated Broker, any Dealer or any affiliate thereof and a Unitholder does not have any recourse against any such parties in respect of amounts payable by the Evolve Fund to the Designated Broker or applicable Dealers. See “Organization and Management Details of the Evolve Fund – Conflicts of Interest”.

PRINCIPAL HOLDERS OF UNITS

CDS & Co., the nominee of CDS, is or will be the registered owner of the Units which it holds for various brokers and other persons on behalf of their clients and others. From time to time, the Designated Broker, a Dealer, the Evolve Fund or another investment fund managed by the Manager or an affiliate thereof, may beneficially own, directly or indirectly, more than 10% of the Units.

PROXY VOTING DISCLOSURE FOR PORTFOLIO SECURITIES HELD

The Manager has established policies and procedures with respect to the voting of proxies received from issuers of securities held in the Evolve Fund’s portfolio. The Manager’s Proxy Voting Policy provides that the Manager will vote (or refrain from voting) proxies for the Evolve Fund for which it has voting power in the best economic interests of the Evolve Fund. The Proxy Voting Policy is not exhaustive and due to the variety of proxy voting issues that the Manager may be required to consider, are intended only to provide guidance and are not intended to dictate how proxies are to be voted in each instance. The Manager may depart from the Proxy Voting Policy in order to avoid voting decisions that may be contrary to the best interests of the Evolve Fund.

The Manager will publish these records on an annual basis on the Evolve Fund's website at www.evolveetfs.com. The Evolve Fund's proxy voting record for the annual period from July 1 to June 30 will be available at any time after August 31 following the end of that annual period, to any Unitholder on request, at no cost, and will also be available at www.evolveetfs.com.

MATERIAL CONTRACTS

The only contracts material to the Evolve Fund are the Declaration of Trust, the Custodian Agreement, the Sub-Custodian Agreement and the License Agreement.

Copies of these agreements may be examined at the head office of the Manager at TD Canada Trust Tower, 161 Bay Street, Suite 1210, Toronto, ON M5J 2S1.

LEGAL AND ADMINISTRATIVE PROCEEDINGS

The Evolve Fund is not involved in any legal proceedings, nor is the Manager aware of existing or pending legal or arbitration proceedings involving the Evolve Fund.

EXPERTS

The auditors of the Evolve Fund, Ernst & Young LLP, Chartered Professional Accountants, Licensed Public Accountants have audited the statement of financial position contained herein. Ernst & Young LLP has advised that it is independent with respect to the Evolve Fund within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of Ontario.

EXEMPTIONS AND APPROVALS

The Manager, on behalf of the Evolve Fund has obtained exemptive relief from the Securities Regulatory Authorities:

- (a) to permit a Unitholder to acquire more than 20% of the Units through purchases on the Designated Exchange without regard to the takeover bid requirements of applicable Canadian Securities Legislation; and
- (b) to relieve the Evolve Fund from the requirement that a prospectus contain a certificate of the underwriters.

OTHER MATERIAL FACTS

Index Provider Disclaimer

CF BENCHMARKS LTD. INDEX DATA IS USED UNDER LICENSE AS A SOURCE OF INFORMATION FOR CERTAIN EVOLVE FUNDS GROUP INC. PRODUCTS. CF BENCHMARKS LTD. AND ITS AGENTS HAVE NO OTHER CONNECTION TO EVOLVE FUNDS GROUP INC. PRODUCTS AND SERVICES AND DO NOT SPONSOR, ENDORSE, RECOMMEND OR PROMOTE ANY EVOLVE FUNDS GROUP INC. PRODUCTS OR SERVICES. CF BENCHMARKS AND ITS AGENTS HAVE NO OBLIGATION OR LIABILITY IN CONNECTION WITH THE FUNDS GROUP INC. PRODUCTS AND SERVICES. CF BENCHMARKS AND ITS AGENTS DO NOT GUARANTEE THE ACCURACY AND/OR THE COMPLETENESS OF ANY INDEX LICENSED TO EVOLVE FUNDS GROUP INC. AND SHALL NOT HAVE ANY LIABILITY FOR ANY ERRORS, OMISSIONS, OR INTERRUPTIONS THEREIN.

PURCHASERS' STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in certain of the provinces and territories of Canada provides purchasers with the right to withdraw from an agreement to purchase ETF securities within 48 hours after the receipt of a confirmation of a purchase of such securities. In several of the provinces and territories, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus and any amendment contains a misrepresentation, or non-delivery of the ETF Facts, provided that the remedies for

rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory.

The purchaser should refer to the applicable provisions of the securities legislation of the province or territory for the particulars of these rights or should consult with a legal adviser.

DOCUMENTS INCORPORATED BY REFERENCE

Additional information about the Evolve Fund is, or will be, available in the following documents:

- (i) the most recently filed ETF Facts of the Evolve Fund;
- (ii) the most recently filed comparative annual financial statements of the Evolve Fund, together with the accompanying report of the auditors;
- (iii) any unaudited interim financial statements of the Evolve Fund filed after the most recently filed comparative annual financial statements of the Evolve Fund;
- (iv) the most recently filed annual MRFP of the Evolve Fund; and
- (v) any interim MRFP of the Evolve Fund filed after that most recently filed annual MRFP of the Evolve Fund.

These documents are or will be incorporated by reference into this prospectus, which means that they legally form part of this document just as if they were printed as part of this document.

These documents are available on the Manager's website at www.evolveetfs.com or by contacting the Manager at (416)-214-4884 or toll-free at 1-844-370-4884 or by email at info@evolveetfs.com. These documents and other information about the Evolve Fund are available on the Internet at www.sedarplus.com.

In addition to the documents listed above, any documents of the type described above that are filed on behalf of the Evolve Fund after the date of this prospectus and before the termination of the distribution of the Evolve Fund are deemed to be incorporated by reference into this prospectus.

INDEPENDENT AUDITOR'S REPORT

To the Unitholder and Manager of
Evolve Solana ETF (the “**Evolve Fund**”)

Opinion

We have audited the financial statement of the Evolve Fund, which comprises the statement of financial position as at April 9, 2025 and notes to the financial statement, including material accounting policy information.

In our opinion, the accompanying financial statement presents fairly, in all material respects, the financial position of the Evolve Fund as at April 9, 2025 in accordance with those requirements of International Financial Reporting Standards (“IFRSs”) relevant to preparing such financial statement.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Financial Statement* section of our report. We are independent of the Evolve Fund in accordance with the ethical requirements that are relevant to our audit of the financial statement in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statement

Management is responsible for the preparation and fair presentation of the financial statement in accordance with those requirements of IFRSs relevant to preparing such financial statement, and for such internal control as management determines is necessary to enable the preparation of a financial statement that is free from material misstatement, whether due to fraud or error.

In preparing the financial statement, management is responsible for assessing the Evolve Fund’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Evolve Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Evolve Fund’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial statement.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Evolve Fund’s internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Evolve Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Evolve Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statement, including the disclosures, and whether the financial statement represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

(Signed) "*Ernst & Young LLP*"
Chartered Professional Accountants
Licensed Public Accountants

Toronto, Canada
April 9, 2025

EVOLVE SOLANA ETF
STATEMENT OF FINANCIAL POSITION

As at April 9, 2025

ASSETS

Current Assets

Cash \$34

Total Assets

NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS (Units issued and redeemable)

Net assets attributable to holders of redeemable units (1 USD Unit) \$20

Net assets attributable to holders of redeemable units (1 CAD Unit) \$14

NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER USD UNIT \$20

NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER CAD UNIT \$14

Approved on behalf of the Board of Directors of Evolve Funds Group Inc., Manager and Trustee:

(signed) “*Raj Lala*”

Raj Lala

Chief Executive Officer & Director

(signed) “*Scharlet Diradour*”

Scharlet Diradour

Chief Financial Officer & Chief Compliance Officer

The accompanying notes are an integral part of this statement of financial position.

EVOLVE SOLANA ETF

Notes to the Financial Statement

April 9, 2025

1. General Information

The Evolve Fund is an exchange traded mutual fund established under the laws of the Province of Ontario, pursuant to the terms of the Declaration of Trust. The Evolve Fund is a mutual fund under the securities legislation of the provinces and territories of Canada. Evolve Funds Group Inc. is the promoter, trustee, manager and investment manager of the Evolve Fund and is responsible for the administration of the Evolve Fund.

The Evolve Fund's investment objective is to provide Unitholders with exposure to the daily price movements of the U.S. dollar price of Solana while experiencing minimal tracking error by utilizing the benefits of the creation and redemption processes offered by the exchange traded fund structure.

The principal office of the Evolve Fund and Evolve Funds Group Inc. is located at TD Canada Trust Tower, 161 Bay Street, Suite 1210, Toronto, ON M5J 2S1.

The financial statement as at April 9, 2025 was authorized for issue by the Manager on April 9, 2025.

2. Material Accounting Policy Information

The principal accounting policies applied in the preparation of the financial statement are set out below.

2.1 Basis of Preparation

The financial statement of the Evolve Fund has been prepared in accordance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB), relevant to preparing a statement of financial position. The financial statement of the Evolve Fund has been prepared under the historical cost convention.

2.2 Functional and Presentation Currency

The financial statements of each class of Units of the Evolve Fund have been presented in United States dollars, which is their functional currency.

2.3 Financial Instruments

The Evolve Fund recognizes financial instruments at fair value upon initial recognition, plus transaction costs in the case of financial instruments measured at amortized cost. Regular way purchases and sales of financial assets are recognized at their trade date.

Cash comprises amounts held in trust with the legal counsel of the Evolve Fund and is stated at fair value.

2.4 Redeemable Units

The Evolve Fund is authorized to issue an unlimited number of classes and series redeemable, transferable units, each of which represents an undivided interest in the net assets of that class of the Evolve Fund (the "Units"). The Units are classified as financial liabilities in accordance with the requirements of International Accounting Standard 32, Financial Instruments: Presentation.

3. Fair Value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The carrying values of cash and the obligation of the Evolve Fund for net assets attributable to holders of redeemable units approximate their fair values due to their short-term nature.

4. **Risks associated with financial instruments**

The Evolve Fund's overall risk management program seeks to maximize the returns derived for the level of risk to which the Evolve Fund is exposed and seeks to minimize potential adverse effects on the Evolve Fund's financial performance.

4.1 Credit risk

The Evolve Fund is exposed to credit risk, which is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. As at April 9, 2025, the credit risk is considered limited as the cash balance was held in trust by counsel to the Evolve Fund.

4.2 Liquidity risk

Liquidity risk is the risk that the Evolve Fund will encounter difficulty in meeting obligations associated with financial liabilities. The Evolve Fund maintains sufficient cash on hand to fund anticipated redemptions.

5. **Capital Risk Management**

The capital of the Evolve Fund is represented by the net assets attributable to holders of Units. The amount of net assets attributable to holders of redeemable units can change.

6. **Authorized units**

The Evolve Fund is authorized to issue an unlimited number of redeemable, transferable Units, each of which represents an undivided interest in the net assets of the Evolve Fund.

Each Unit entitles the owner to one vote at meetings of Unitholders and is entitled to participate equally with all other Units with respect to all payments made to Unitholders, other than management fee distributions, including distributions of net income and net realized capital gains and, on liquidation, to participate equally in the net assets of the Evolve Fund remaining after satisfaction of any outstanding liabilities that are attributable to Units. All Units are fully paid, with no liability for future assessments, when issued and will not be transferable except by operation of law.

In accordance with the objectives outlined in Note 1 and the risk management policies in Note 4, the Evolve Fund endeavours to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemptions.

The Manager has initially purchased one U.S. dollar denominated unhedged Unit and one Canadian dollar denominated unhedged Unit of the Evolve Fund.

7. **Management Fees and other expenses**

The Evolve Fund will pay an annual management fee (the "**Management Fee**") to the Manager equal to 1.00% of the net asset value ("**NAV**") of each class of the Evolve Fund, calculated daily and payable monthly in arrears, plus applicable taxes.

In addition to the Management Fee, the Manager is entitled to receive a fee equal to a portion of the staking rewards generated for the Evolve Fund by Staking Arrangements (net of the fees payable to the validator(s)) such that no less than 65% of the rewards accrue to the Evolve Fund and up to 35% of the rewards accrue to the Manager (the "**Staking Service Fee**"). The Staking Service Fee will be calculated daily and paid monthly, in arrears, plus applicable taxes, and is intended to compensate the Manager for the additional work required to administer Staking Arrangements for the Evolve Fund. The Staking Service Fee charged by the Manager will only be deducted from any rewards generated by Staking Arrangements which will generate income to the Evolve Fund.

Unless waived or reimbursed by the Manager, the Evolve Fund pays for all operating expenses of the Evolve Fund (“**Operating Expenses**”) incurred in connection with the operation and administration of the Evolve Fund, including but not limited to: mailing and printing expenses for periodic reports to Unitholders; fees payable to the Registrar and Transfer Agent and Custodian; any reasonable out of pocket expenses incurred by the Manager or its agents in connection with their ongoing obligations to the Evolve Fund; IRC committee member fees and expenses in connection with the IRC; expenses related to compliance with NI 81-107; fees and expenses relating to voting of proxies by a third party; insurance coverage for the members of the IRC; fees payable to the auditors and legal advisors of the Evolve Fund; regulatory filing, stock exchange and licensing fees (if applicable) and CDS fees; banking costs and interest with respect to any borrowing (if applicable); website maintenance costs; costs and expenses of complying with all applicable laws, regulations and policies, including expenses and costs incurred in connection with the continuous public filing requirements such as permitted prospectus preparation and filing expenses; and legal, accounting and audit fees and fees and expenses of the Trustee, Solana consultant (if any), CF Benchmarks (in respect of index licensing and/or consulting fees, if any), Custodian and Manager which are incurred in respect of matters not in the normal course of the Evolve Fund’s activities. Additional costs which are also payable by the Evolve Fund include any taxes payable by the Evolve Fund to which the Evolve Fund may be subject, including income taxes, sales taxes (including GST/HST) and/or withholding taxes (including preparation costs for tax filings in respect of any such taxes); expenditures incurred upon termination of the Evolve Fund; extraordinary expenses that the Evolve Fund may incur and all amounts paid on account of any indebtedness (if applicable); any expenses of insurance and costs of all suits or legal proceedings in connection with the Evolve Fund or the assets of the Evolve Fund or to protect the Unitholders, the Trustee, the Manager, and the directors, officers, employees or agents of any of them; any expenses of indemnification of the Trustee, the Unitholders, the Manager, and the directors, officers, employees or agents of any of them to the extent permitted under the Declaration of Trust; and expenses relating to the preparation, printing and mailing of information to Unitholders in connection with meetings of Unitholders. The Evolve Fund is also responsible for all fees and expenses related to the Staking Arrangements and all commissions and other costs of portfolio transactions and any extraordinary expenses of the Evolve Fund which may be incurred from time to time, including brokerage and trading commissions and other fees and expenses associated with the execution of transactions in respect of the Evolve Fund’s investment in Solana.

CERTIFICATE OF THE EVOLVE FUND, THE MANAGER AND PROMOTER

Dated: April 9, 2025

This prospectus, together with the documents incorporated herein by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of each of the provinces and territories of Canada.

EVOLVE FUNDS GROUP INC.

(As manager, trustee and promoter and on behalf of the Evolve Fund)

(signed) "*Raj Lala*"

Raj Lala
Chief Executive Officer of Evolve Funds Group Inc., the
Manager, Trustee and Promoter of the Evolve Fund, and
on behalf of the Evolve Fund

(signed) "*Scharlet Diradour*"

Scharlet Diradour
Chief Financial Officer of Evolve Funds Group Inc.,
the Manager, Trustee and Promoter of the Evolve
Fund, and on behalf of the Evolve Fund

On behalf of the Board of Directors
of Evolve Funds Group Inc.

(signed) "*Keith Crone*"

Keith Crone
Director

(signed) "*Elliot Johnson*"

Elliot Johnson
Director